986

NEWARK PUBLIC LIBRARY

FEB 10 [illegible]

U. S. GOVT. PUBS.
DEPOSITORY 326

INFORMATION COLLECTION BUDGET

OF THE UNITED STATES GOVERNMENT

FISCAL YEAR 1986

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

PrEX2.29:

INFORMATION COLLECTION BUDGET

OF THE UNITED STATES GOVERNMENT

FISCAL YEAR 1986

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

READEX FICHE

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

JAN 0 6 1986

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I am pleased to submit the Administration's Information Collection Budget (ICB) for Fiscal Year 1986. This is the sixth annual "paperwork budget" of the Federal government for controlling the number of hours individuals, businesses, and State and local governments must spend maintaining or preparing federally mandated forms, reports, and records.

This budget anticipates a reduction of 58.9 million burden hours in FY 1986, following a reduction of 85.7 million burden hours in FY 1985. Although the reduction percentages for FY 1985 and the reduction targets for FY 1986 are lower than reductions achieved under previous ICBs, this is not due to a lack of support for the ICB by executive branch agencies. Lower reduction targets are a direct result of the burgeoning increase in highly prescriptive paperwork requirements contained in recent tax measures, health and safety legislation, anti-fraud, waste and abuse enactments, and competition in contracting legislation.

While we would not propose the repeal of these laws, we do believe that there are less burdensome or intrusive alternatives to the overly prescriptive statutory language enacted by the Congress, which would allow the same vigorous enforcement of law or regulation. We will be exploring in the coming months with the Congress, Federal agencies, and State and local governments, means by which this concern can be addressed. At the same time, we will continue, in 1986, to review old as well as recently added categories to the ICB inventory, such as procurement paperwork, to obtain further reductions in burden.

For this year and the near future, our efforts must be directed toward restricting the paperwork imposed by statutory or regulatory changes. It will be of little consequence if we continue to cut existing paperwork but permit new reporting and recordkeeping requirements to supplant them. In addition, for FY 1986, agencies have identified a number of long-range paperwork reduction initiatives. These multiyear paperwork reduction initiatives will permit agencies to accomplish burden reductions in areas where change cannot be imposed quickly.

In sum, new approaches such as multiyear targeting, together with close monitoring of Federal agencies' paperwork reduction performance, will assure that we continue to make real progress toward the ultimate goal: reducing the perceived and actual claims of time and associated costs levied by government rules and procedures on the American public.

Sincerely yours,

James C. Miller III
Director

Enclosure

Table of Contents

		Page
Introduction		1
I.	Paperwork Reductions for FY 1985	5
II.	The FY 1986 Information Collection Budget	14
III.	The Information Collection Budget by Agency	32
Departments:	Agriculture	33
	Commerce	35
	Defense	37
	Education	39
	Energy	41
	Health and Human Services	43
	Housing and Urban Development	45
	Interior	47
	Justice	48
	Labor	50
	State	52
	Transportation	53
	Treasury	54
Agencies:	Commodity Futures Trading Commission	56
	Consumer Product Safety Commission	57
	Environmental Protection Agency	58
	Equal Employment Opportunity Commission	60
	Federal Communications Commission	62
	Federal Deposit Insurance Corporation	64
	Federal Emergency Management Agency	66
	Federal Energy Regulatory Commission	68
	Federal Home Loan Bank Board	69
	Federal Reserve Board	70
	Federal Trade Commission	72
	General Services Administration	73
	Interstate Commerce Commission	74
	National Aeronautics and Space Administration	75
	National Credit Union Administration	76
	National Science Foundation	77
	Nuclear Regulatory Commission	79
	Office of Personnel Management	81
	Railroad Retirement Board	83
	Securities and Exchange Commission	84
	Small Business Administration	86
	Veterans Administration	88

Page

Figures:

1. Paperwork Reductions in FY 1985 8
2. Percent of Reporting Burden by Agency 15
3. Percent of Reporting Burden by Respondent Category 17
4. Percent of Reporting Burden by Type of Response 18

Tables:

1. Paperwork Reduction from the FY 1984 Base 6
2. Twenty Most Burdensome Paperwork Requirements of the Federal Government 19
3. Allowances for FY 1986 23

INTRODUCTION

The Information Collection Budget: Six Years in Action

The Information Collection Budget (ICB) is a mechanism for measuring and controlling the costs of Federal information collections imposed upon individuals, businesses, and State and local governments.

The Federal government collects vast amounts of data and other information through its forms, surveys, questionnaires, and regulatory requirements. These Federal information collection activities affect nearly every American. Nearly 100 million citizens and over 17 million business firms and associations are required to file detailed information about their incomes and finances with the Internal Revenue Service (IRS) alone. Over 70 million Americans receive financial benefits from the Federal government for which they must provide detailed information demonstrating their eligibility. Thousands of businesses, non-profit associations, and State and local agencies that receive Federal grants or contracts must file lengthy applications and reports. Mandatory surveys used by the government to prepare economic and demographic statistics go out to millions of farms, large and small businesses, and households every year. Also, regulatory agencies require businesses to report on their products, production processes, finances, and employment practices--both to Washington and often to their customers, employees, and investors as well.

The ICB attempts to balance the costs of supplying this information against its practical utility to the government and the public. Initiated as a prototype in Fiscal Year 1981 and then on a government-wide basis in Fiscal Year 1982, it was the first effort to apply budget procedures--long familiar in connection with fiscal government expenditures--to control the burden of public policies on the private sector.

While this budget procedure has been in place only a few years, the Office of Management and Budget (OMB) and most agencies have been measuring the paperwork burden for more than 40 years under the Federal Reports Act of 1942, and have been refining their estimation procedures constantly. The measure of burden includes not only the time required to fill out a form, but also that necessary to read and understand the instructions, and to develop, compile, and review the information requested. Burden estimates are prepared

based upon a detailed assessment of the requirement itself, separately for each reporting or recordkeeping requirement, experience with comparable information collections, and in some cases respondent interviews.

The ICB is administered by OMB, as required by the Paperwork Reduction Act of 1980. The Act directs OMB to establish general policies and procedures for controlling information collections, and to report to the Congress at least annually the estimated burden hours imposed by the information collections of each Federal agency. OMB's paperwork-control regulation ("Controlling Paperwork Burdens on the Public," 5 CFR 1320) establishes the ICB as a principal mechanism for accomplishing these and other directives of the Act. The ICB has been instrumental in achieving these directives and has furthered the Act's goal of encouraging high-level responsibility for paperwork reduction within each agency.

The ICB is prepared each year through a procedure similar to the preparation of the President's fiscal budget. Based upon the prior year's experience and the best estimates of the "burden hours" imposed by each form, survey, and other information collection, each agency submits to OMB a proposed budget or allowance of total burden hours for the new fiscal year, together with a description of changes in existing paperwork requirements that will meet its budget. Agency submissions are followed by OMB reviews, passbacks, and meetings between agency and OMB officials, until final budgets that minimize paperwork burden, consistent with program needs and actual use of collected information, are determined. During the fiscal year, adjustments to meet the budgeted burden hours are made through the review and revision of individual paperwork requirements.

There are three kinds of adjustments:

- Revised estimates of reporting burdens. Experience during the year may lead to an upward or downward revision in the estimated time required for complying with a particular information collection. In addition, unauthorized ("bootleg") forms not in OMB's paperwork inventory at the start of the fiscal year may have been discovered. (FY 1985 is the last year that "bootlegs" will be considered adjustments; after FY 1985, "bootlegs" will be program changes.) Such accounting changes do not reflect real changes in paperwork burdens, but rather improved measurement of those burdens.

- Changes in private use of government forms. The use of many kinds of government forms--such as application forms for benefit programs, passports, and certain tax elections--is discretionary. The use of such forms may be greater or less than an agency anticipated at the beginning of the fiscal year. Such changes reflect real changes in paperwork, but are beyond the direct control of the agency.

- Unbudgeted additions or deletions of paperwork requirements. Statutes enacted during the year may require new forms or impose new regulatory requirements unanticipated at the time an agency's ICB was prepared. Review of individual forms under the Act may have uncovered new opportunities for paperwork reduction. These are real changes in paperwork from those planned during the ICB process at the beginning of the fiscal year.

At the end of each fiscal year, each agency's budget is examined and adjusted to determine its actual "expenditure" of paperwork burden hours for that year. This produces the final measure of each agency's record in meeting, exceeding, or falling short of its budget. Each agency's year-end adjusted total paperwork burden is then used as the "base" for preparing its ICB for the following fiscal year. The end-of-year adjustment is the last opportunity to revise the figures prior to the development of the ICB targets.

During the first few years of administering the ICB, year-end adjustments to the base included substantial revisions unrelated to actual reductions in paperwork. These revisions were due to the gradual incorporation into the ICB of additional kinds of Federal paperwork (such as procurement paperwork, recordkeeping and disclosure requirements, and regulatory paperwork) under the provisions of the Paperwork Reduction Act. For example, year-end adjustments made at the close of FY 1983 produced an information collection base of 2,023 million hours. This substantial increase over the FY 1982 base of 1,275 million hours was due to the inclusion of three additional kinds of paperwork, following publication of OMB's final paperwork control regulation. These were: (1) requirements associated with government procurement of goods and services, (2) testing and other actions associated with labeling and disclosure requirements, and (3) requirements contained in existing regulations.

Incorporation of all types of paperwork has still not been completed. The FY 1985 base estimate of Federal burden is, therefore, somewhat understated, because it does not contain burden projections for two major categories of information collections: (1) government-wide standard forms (e.g., the Standard Form 171, "Application for Federal Government Employment"), and (2) government-wide paperwork burden associated with Federal Acquisition Regulations, such as the labeling requirements for all contract bid proposals. Initial burden estimates for these two major categories have been developed by the General Services Administration (GSA) for OMB. Each agency provided GSA with its best estimate of burden for these information collections; however, these estimates have varied greatly from agency to agency, and in many cases appeared to be understated. Consequently, OMB is reviewing and encouraging other agencies to revise these estimates and only when the accuracy and currency of these burden estimates has been achieved will they be included in the ICB inventory. Once this task is complete, the ICB base will consist of all types of Federal paperwork and the entire measure of paperwork burden envisioned by the Paperwork Reduction Act.

Based on the year-end adjustments, the Federal government's FY 1985 information collection budget has been calculated to be 1,894 million hours--down from 2,023 million hours in FY 1983. The reduction in burden reflects the net effect of a substantial decrease in agency controlled procurement paperwork, and a significant increase in statutorily mandated information collections.

The ICB process, while less formal and precise than fiscal budgeting, has proven to be an effective management tool. It has stimulated a high (and improving) quality of burden estimates for purposes of reporting to the Congress and measuring progress towards reduction goals, and it has enabled both OMB and the agencies to develop more effective paperwork reduction strategies to guide case-by-case reviews of individual paperwork requirements.

SECTION I: PAPERWORK REDUCTIONS FOR FY 1985

Changes in Paperwork Reductions for FY 1985

During FY 1985, Federal departments and agencies reduced paperwork burdens imposed on the American public by 85.7 million hours--a 4.3 percent reduction from the approximately 2.0 billion hours in the measured paperwork inventory at the close of FY 1984. Burden reductions (and increases) achieved during FY 1985 for each agency and the Federal government as a whole are shown in Table 1. A comparison of how each agency fared against its reduction goal established in the FY 1985 Information Collection Budget (ICB) is displayed graphically in Figure 1.

Nineteen of the agencies achieved or exceeded their planned paperwork reduction goals for FY 1985. Five agencies, the Department of Housing and Urban Development, Department of State, the Federal Trade Commission, the National Credit Union Administration, and the Small Business Administration, failed to achieve net reductions of their base; of these, four had substantial net increases, notwithstanding a budget that called for net decreases. Of the remaining agencies that recorded paperwork reductions, 16 agencies failed to reach their budgeted levels. Overall, however, on a net basis, the government-wide goal of a 3.3 percent reduction was met and exceeded--actual burden hours decreased by 4.3 percent.

Decreases in Federal Paperwork

All agencies made some significant cuts in existing paperwork requirements. Some of the most significant reductions are as follows:

-- Procurement Paperwork Reduction (Department of Defense)

In FY 1985, The Department of Defense (DOD) achieved substantial reductions in paperwork requirements as a result of the automation of the small purchase process. In some cases, purchase orders are now issued on the basis of prices provided periodically, rather than with each purchase. In other cases, the Department can rely on machine-to-machine inquiries rather than telephone or written responses. DOD estimates that approximately one-third of its small awards are now included in this process. In addition, continued efforts to reduce technical data requirements imposed by contracts resulted

Table 1

Paperwork Reduction from the FY 1984 Base
(in thousands of respondent hours)

	FY 1984 BASE	FY 1985 PERCENT CHANGE
Total Government	1,989,230	-4.31%
Departments:		
Agriculture	76,318	-3.35%
Commerce	6,648	-5.04%
Defense	576,968	-5.12%
Education	41,449	-1.81%
Energy[1]	19,549	-6.51%
Health and Human Services	171,570	-7.42%
Housing and Urban Development	14,239	+0.72%
Interior	8,423	-7.67%
Justice	3,747	-2.72%
Labor[2]	71,736	-1.82%
State	1,465	+0.17%
Transportation	89,961	-2.88%
Treasury	697,125	-3.29%
Agencies:		
Commodity Futures Trading Commission	1,643	-2.14%
Consumer Product Safety Commission	437	-2.05%
Environmental Protection Agency	33,851	-1.36%
Equal Employment Opportunity Commission	3,377	-8.90%
Federal Communications Commission	17,484	-17.18%
Federal Deposit Insurance Corporation	1,562	-6.68%
Federal Emergency Management Agency	1,405	-6.49%
Federal Home Loan Bank Board	1,866	-8.17%
Federal Reserve Board	8,355	-7.37%
Federal Trade Commission	39,390	+2.11%
General Services Administration	717	-7.48%
Interstate Commerce Commission	1,032	-1.54%
National Aeronautics and Space Administration	22,572	-21.49%
National Credit Union Administration	2,639	+7.77%
National Science Foundation	4,549	-0.14%
Nuclear Regulatory Commission	10,190	-13.69%
Office of Personnel Management	6,260	-0.15%

[1] Includes the Federal Energy Regulatory Commission.
[2] Includes the Pension Benefit Guaranty Corportation.

Railroad Retirement Board	1,205	-4.13%
Securities and Exchange Commission	41,444	-2.78%
Small Business Administration	3,095	+16.83%
Veterans Administration	6,959	-6.46%

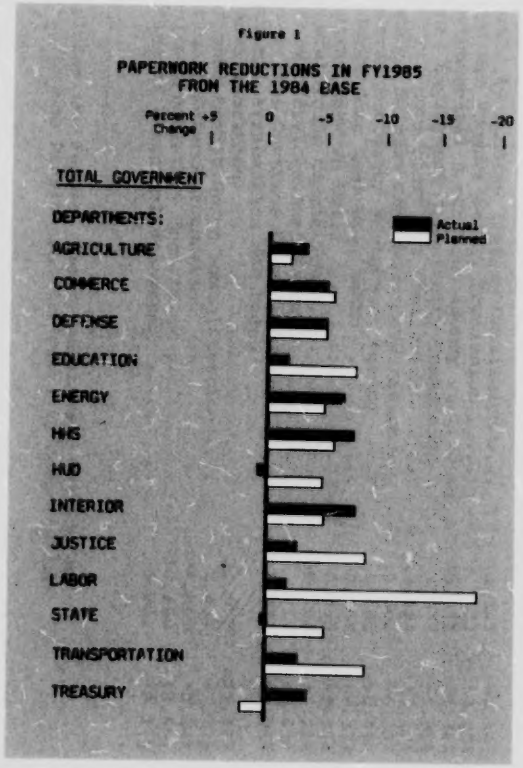


Figure 1
PAPERWORK REDUCTIONS IN FY1985
FROM THE 1984 BASE
Percent Change
+5
0
-5
-10
-15
-20
TOTAL GOVERNMENT
DEPARTMENTS:
Actual
Planned
AGRICULTURE
COMMERCE
DEFENSE
EDUCATION
ENERGY
HHS
HUD
INTERIOR
JUSTICE
LABOR
STATE
TRANSPORTATION
TREASURY

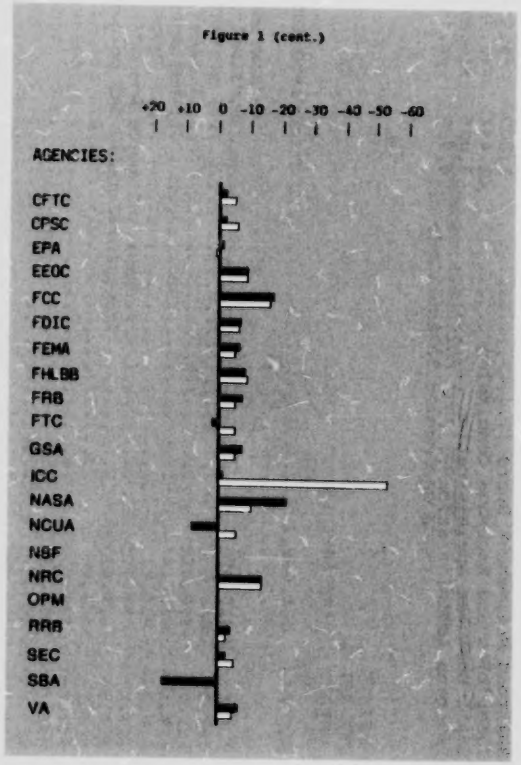


Figure 1 (cont.)
+20
+10
0
-10
-20
-30
-40
-50
-60
AGENCIES:
CFTC
CPSC
EPA
EEOC
FCC
FDIC
FEMA
FHLBB
FRB
FTC
GSA
ICC
NASA
NCUA
NSF
NRC
OPM
RRB
SEC
SBA
VA

in elimination of 120 items listed in the Acquisition Management Systems and Data Requirements Control List in FY 1985.

(Paperwork Savings: 28.6 million hours)

-- Health Care Financing Administration Reporting and Recordkeeping Requirements (Department of Health and Human Services)

The Department took several actions to reduce the reporting and recordkeeping burden imposed on health care providers, including the elimination of the "Medicare Log" requirements for approximately half the Nation's hospitals (those hospitals which have become part of the Prospective Payments system); reduction of the burden associated with the "Health Insurance Claim Form" by increasing the use of electronic media for Medicare reimbursement; and substitution of a "Uniform Billing Form" for the more burdensome discontinued "Provider Billing for Medical and Other Health Services Form."

(Paperwork Savings: 7.2 million hours)

-- Monthly Reporting for Aid to Families with Dependent Children (AFDC) Recipients (Department of Health and Human Services)

Prior to 1985, all recipients of AFDC were required to report monthly their income and employment status. This reporting requirement was unnecessarily burdensome for the majority of recipients, whose income or employment status often does not change from month to month. A 1984 amendment to the Social Security Act modified this requirement, requiring that only those recipients who are employed, and those who have been recently employed, must report this information monthly. This action has significantly reduced the public reporting burden while maintaining the necessary controls to combat waste, fraud and abuse.

(Paperwork Savings: 3.6 million hours)

-- Flight Operations Records (Department of Transportation)

Prior to 1985, the Federal Aviation Administration (FAA) required all airlines to maintain for 90 days a hard copy (paper) record for each flight operation, containing information on passengers, weight load, weather conditions, and other information. Many airlines, however, kept this information in computer files and, therefore, had to create a hard copy. In 1985, FAA revised its guidelines to allow airlines to maintain the information on computer files. This will significantly reduce the recordkeeping burden imposed on those airlines that previously kept dual paper and computer files of this information.

(Paperwork Savings: 2.6 million hours)

-- Contemporaneous Recordkeeping Requirements for Business Use of Property (Department of the Treasury)

The Tax Reform Act of 1984 required the Internal Revenue Service (IRS) to impose contemporaneous recordkeeping requirements on taxpayers to substantiate the business use of property partially used for personal purposes, such as automobiles and certain other vehicles. In 1985, this contemporaneous recordkeeping requirement was modified after much public outcry concerning the burden it imposed. The repeal of the 1984 amendments resulted in a burden reduction of approximately 25 million hours; the replacement modifications imposed approximately 3.3 million burden hours, for a net reduction of over 21 million hours.

(Paperwork Savings: 21.7 million hours)

-- Creation of a Short-Form Corporate Income Tax Return (Department of the Treasury)

Section 6012(a)(2) of the Internal Revenue Code requires every corporation subject to taxation under Subtitle A of the Code to file an income tax return, using Form 1120. The Internal Revenue Service created a new Form 1120-A, "U.S. Short-Form Corporation Income Tax Return," to minimize the burden imposed on small corporations (generally those with income and assets less than $250,000).

(Paperwork Savings: 6.5 million hours)

-- Television Broadcast Stations Program Logs (Federal Communications Commission)

Prior to 1985, the Federal Communications Commission (FCC) required television broadcast stations to log certain information about every program and commercial they broadcast. Recently, the FCC decided to eliminate the program log requirements after it concluded that other, more cost-effective means were available to ensure that broadcasters were operating in the public interest. As it had done for commercial and non-commercial radio broadcasters in 1980 and 1984, respectively, the FCC substituted, in place of the program log requirements, a less burdensome requirement that stations maintain a quarterly list of problems and issues affecting a broadcasters' community and the programs aired in response to those issues. The FCC determined that this would provide sufficient information for regulatory oversight and would permit the public to evaluate a television station's performance.

(Paperwork Savings: 1.9 million hours)

-- Procurement Paperwork Reduction (National Aeronautics and Space Administration)

The National Aeronautics and Space Administration (NASA) Procurement Office is responsible for approximately 98 percent of the agency's total ICB. To streamline the reporting and recordkeeping burden, NASA increased the threshold for small purchase actions, increased the emphasis on consolidation of contracts, and decreased the reporting requirements in the NASA Procurement Regulation. These actions, while allowing NASA to continue to monitor procurements, will reduce significantly the burden imposed on government contractors, particularly small businesses.

(Paperwork Savings: 6.2 million hours)

Increases in Federal Paperwork

Increases in Federal paperwork in FY 1985 occurred because specific recordkeeping or regulatory requirements were imposed by congressional directives, statutory changes, court orders, and other means beyond executive branch control. Major paperwork increases that occurred during FY 1985 include:

497-511 O - 86 - 2 : QL 3

-- Special Tax Return and Application for Registry (Department of the Treasury)

The Treasury Department's Bureau of Alcohol, Tobacco and Firearms (BATF) "Special Tax Return and Application for Registry" is used by the IRS to collect an occupational tax for BATF from persons engaged in alcoholic beverage or firearms businesses. The form also was used on a one-time basis to collect a floor stock tax that was imposed on distilled spirits and imported perfume by the Deficit Reduction Act of 1984. (See next item.)

(Paperwork Increase: 600,000 hours)

-- Floor Tax Requirements (Department of the Treasury)

The BATF imposed a one-time recordkeeping requirement on all distilled spirits and imported perfume held for sale on October 1, 1985. The Deficit Reduction Act of 1984 mandated an excise tax on these items, and increased the tax rate to $12.50 from the previous $10.50 level, per proof gallon. BATF required a one-time inventory of these commodities.

(Paperwork Increase: 1.4 million hours)

-- Mortgage Interest Statement (Department of the Treasury)

Under the provisions of Public Law 98-369, mortgagors who receive $600 or more of mortgage interest during a year must report such sums to the Internal Revenue Service (IRS). This form will allow the IRS to verify that taxpayers have reported the proper amount of interest expenses from mortgages on their tax returns.

(Paperwork Increase: 3.2 million hours)

-- Notices, Elections, and Contests Under the Retirement Equity Act of 1984 (Department of the Treasury)

The Retirement Equity Act of 1984 requires employers to notify participants in certain retirement plans of their rights to: (1) survivor annuity benefits; (2) rollover of their pension distributions into an Individual Retirement Account; and (3) certain annuity benefits for former plan participants. This information collection implemented the statutory requirement.

(Paperwork Increase: 950,000 hours)

-- Used Car Dealer Disclosure Requirements (Federal Trade Commission)

The FTC published a rule in November 1984, which required a window sticker on each used car to provide a potential buyer with information on warranty coverage, the meaning of an "as is" sale, and some additional information.

(Paperwork Increase: 835,000 hours)

-- Procurement Paperwork Increases (National Aeronautics and Space Administration)

NASA, as part of a government-wide effort to comport with the recently promulgated Federal Acquisition Regulation as well as the statutory mandates of the new Competition in Contracting Act, increased its procurement recordkeeping and reporting requirements.

(Paperwork Increase: 1.2 million hours)

SECTION II: THE FY 1986 INFORMATION COLLECTION BUDGET

Characteristics of Federal Paperwork

The FY 1986 Information Collection Budget (ICB) is the Federal government's sixth "paperwork budget" and the fifth to be prepared on a comprehensive government-wide basis under the Paperwork Reduction Act of 1980.

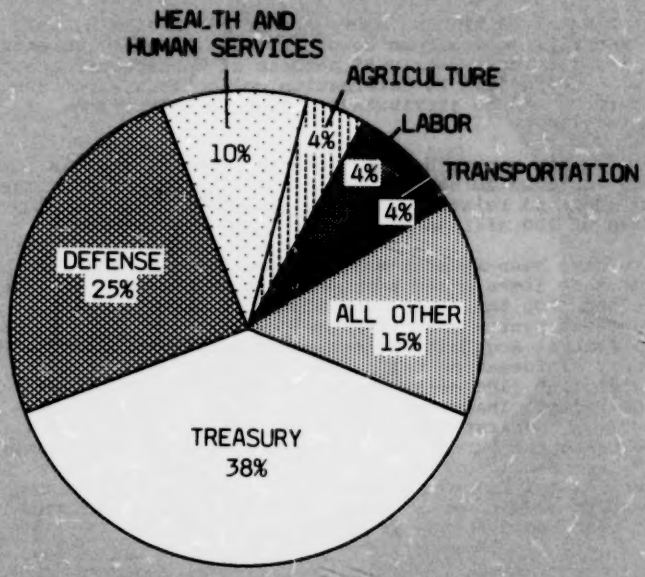
During FY 1986, almost two-thirds of the total paperwork burden imposed on the public will be levied by two agencies, the Department of the Treasury (38 percent) and the Department of Defense (25 percent). Prior to FY 1984, the Department of the Treasury alone accounted for approximately one-half of the total Federal burden, primarily due to the forms and recordkeeping requirements of the Internal Revenue Service (IRS). The inclusion of procurement paperwork in the ICB planning process in FY 1984, however, changed agency rankings such that the Department of Defense (DOD) imposed the largest paperwork burden on the American public. In 1986, these positions will again reverse due to a major increase in the information collection activities of the IRS and substantial reductions in DOD's procurement paperwork.

Aside from the Department of the Treasury and DOD, the four other agencies that impose significant Federal paperwork burden on the public are: (1) Department of Health and Human Services (10 percent), (2) Department of Transportation (4 percent), (3) Department of Agriculture (4 percent), and (4) Department of Labor (4 percent) (see Figure 2). For the most part, these agencies use these information collections to monitor Federal expenditures (e.g., the Department of Transportation's highway programs, the Department of Agriculture's Food Stamp and National School Lunch Programs, and the Department of Health and Human Service's Medicare and Social Security Programs) or monitor compliance with health and safety rules (e.g., the Department of Labor's Occupational Safety and Health Administration Programs).

An examination of the categories of respondents reveals some noteworthy shifts in burden. Reporting and recordkeeping requirements imposed on State and local governments has increased from 14 percent to 17 percent of the total FY 1985 burden. The burden imposed on businesses and institutions, such as schools and hospitals, has decreased from 68 percent to 56 percent in FY 1985, and the burden on individuals or households has increased to 26 percent, up from 17 percent in FY 1985. Reporting and recordkeeping by farms has remained

Figure 2

PERCENT OF REPORTING BURDEN BY AGENCY*



*As of September 1985

constant at 1 percent. The changes in the IRS and the reduction of procurement paperwork are the primary reasons for these changes (see Figure 3).

The impact of these changes can also be seen in the analysis of burden by type of response. More than half of all Federal burden is associated with mandatory information collections--collections for which penalties may be assessed against respondents for failure to comply (e.g., census and tax reporting). This represents a 7 percent increase from FY 1985. Voluntary information collections not associated with government benefits or contracts have remained unchanged at 10 percent. On the other hand, there is a corresponding decrease in burden (33 percent in FY 1985 as opposed to 40 percent in FY 1984) associated with paperwork requirements to obtain or retain a benefit, such as Medicare payments, government contracts, and program or research grants (see Figure 4).

Most Burdensome Paperwork

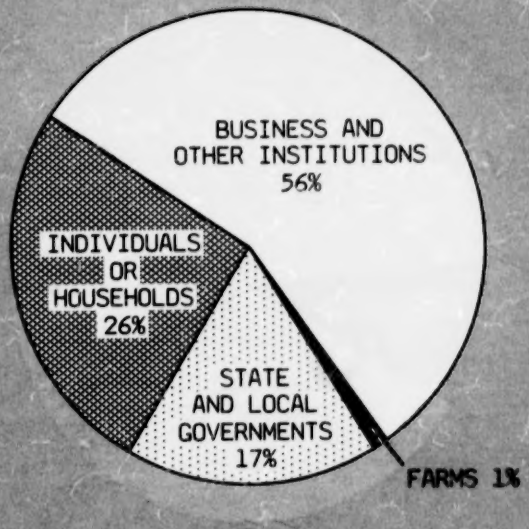
Approximately 2 billion hours of the public's time in FY 1986 will be spent in complying with Federal requests for information. Nearly 55 percent of these hours can be attributed to just 20 information collections, and over 45 percent can be attributed to just 10 collections (Table 2).

Specific tax reporting requirements, such as the IRS Form 1040, continue to be most conspicuous on this list. The IRS Form 1040 and related schedules impose an annual burden in excess of 260 million hours.

There have been several major changes to the list of most burdensome items since last year. Four new entries have made the "top ten." The new items are "Acquisition Management System and Data Requirements" (189 million hours); "DOD Federal Acquisition Regulation Supplement" (167 million hours); "Information Collection in Support of DOD Acquisition" (100 million hours); and "Additional Records Under Federal Insurance Contributing Act" (30.3 million hours). The first three items are procurement-related, and illustrate the burden imposed by the Federal acquisition of goods and services. The fourth item ("Additional Records under Federal Insurance Contribution Act") reflects the paperwork requirements in existing regulations, which have just been added to the inventory.

Figure 3

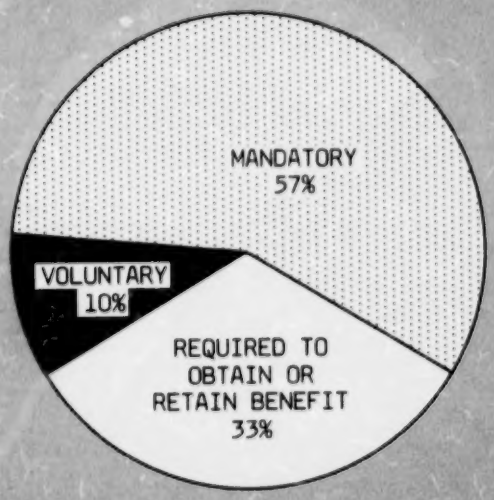
PERCENT OF REPORTING BURDEN BY RESPONDENT CATEGORY*



* As of September 1985

Figure 4

PERCENT OF REPORTING BURDEN BY TYPE OF RESPONSE*



* As of September 1985

Table 2

Twenty Most Burdensome Paperwork Requirements of the Federal Government (in descending order)

Title	Sponsor Department/ Agency	Respondent Burden in Millions of Hours	Percent of Burden Total	Cumulative Burden as Percent of Total
1. Individual Income Tax Return and Related Schedules (1040)	Treasury	268.5	12.5%	12.5%
2. Acquisition Management Systems and Data Requirements	Defense	189.0	8.8	21.3
3. DOD Federal Acquisition Regulation Supplement	Defense	167.0	7.8	29.1
4. Wage and Tax Statements, Transmittal of Income and Tax Statements, Withholding and the Payment of Taxes on Sick Pay (W-2, W-3)	Treasury	104.1	4.8	33.9
5. Information Collection in Support of DOD Acquisition	Defense	100.0	3.7	37.6
6. Request for Medicare Payment	Health and Human Services	57.1	2.7	40.3
7. Travel, Entertainment and Gift Expenses	Treasury	49.4	2.3	42.6
8. Additional Records Under Federal Insurance Contribution Act	Treasury	30.3	1.4	44.0
9. Federal Insurance Contribution Act and Railroad Retirement Recordkeeping Act Paperwork	Treasury	23.8	1.1	45.1

10. U.S. Corporate Income Tax Return, Capitol Gains and Losses	Treasury	23.5	1.1	46.2
11. Nutrition School Lunch Program Reporting	Agriculture	22.5	1.0	47.2
12. Guaranteed Student Loan Program Recordkeeping	Education	19.8	0.9	48.1
13. Model Food Stamp Forms	Agriculture	18.5	0.9	49.0
14. U.S. Individual Tax Return (1040A)	Treasury	18.4	0.9	49.9
15. Employer's Quarterly Tax Return (941)	Treasury	18.1	0.8	50.7
16. NASA Acquisition Requirements	National Aeronautics and Space Administration	17.5	0.8	51.5
17. Form 10K Annual Report	Securities and Exchange Commission	17.1	0.8	52.3
18. Driver's Duty Status Report	Transportation	16.9	0.8	53.1
19. Inspection, Repair and Maintenance and Driver Vehicle Registration	Transportation	16.6	0.8	53.9
20. Textile Fiber Products Identification Act	Federal Trade Commission	16.0	0.7	54.6
TOTAL		1,194.1		54.6

Major Changes in 1986

The ICB was modified in FY 1984 to improve its clarity and effectiveness. In place of the simple burden-hour allowance used in the past, each agency was assigned two separate allowances--one controlling changes to information collections currently in existence (i.e., contained in the FY 1985 base), and another controlling the introduction of new reporting and recordkeeping requirements.

For each agency included in the ICB, Table 3 lists its FY 1985 base, expected reduction from that base, new collections to be initiated, and the net change in respondent burden hours (the last three categories in hours and percent change, respectively). In FY 1986, the Federal government will reduce the paperwork burden it imposes upon the public by 71.7 million burden hours, while new collections will be held to about 12.8 million hours. Thus, there will be a net reduction in Federal burden of almost 59 million hours or 3.11 percent.

These reduction targets are exclusive of an anomalous situation in the burden hours imposed by the Department of Health and Human Services (HHS). HHS' Health Care Financing Administration will be instituting a uniform national "Medicare Claim Form" to be used by all providers of health care. Providers have complained bitterly about the current system of separate claim forms, which vary by State and by insurance company. The Department has estimated that the current burden is over 30.5 million burden hours. By creating a single national form acceptable to all users, HHS not only will decrease administrative costs of the program, but also will decrease the total paperwork burden on the public by 1.5 million burden hours. Although the current burden is not a federally-imposed requirement, the burden under the new program will be. Thus, HHS appears to be increasing the burden on the public when, in fact, it is reducing it. The last two lines on Table 3 illustrate the HHS burden, and the government total, inclusive of this anomaly.

The Paperwork Reduction Act set reduction targets for all agencies for the first three years following its enactment. Thereafter, beginning with 1984, OMB set reduction goals. This year, OMB sent each agency a Planning Guidance Letter, which identified specific areas for paperwork review and the specific target reductions for that agency. By varying the percentage reduction goal by agency, OMB recognized, based on past performance and statutory and regulatory limitations, that all agencies' ability to reduce paperwork is not equal.

Many future reductions must be made in statutory and regulatory paperwork requirements if substantial paperwork reductions are to continue, and these often cannot be accomplished within the span of a year. (See Strategies for Reductions for more details).

During FY 1986, the largest reductions from the base will be made by the Departments of the Treasury (-18.9 million hours), Labor (-14.9 million hours), Health and Human Services (-11.8 million hours), and Defense (-10.9 million hours). (See Section III for more detail.) Only four agencies, the Departments of Agriculture and Education, the Consumer Product Safety Commission (CPSC), and the Environmental Protection Agency (EPA) will not be reducing paperwork in FY 1986. The Department of Agriculture projects a 2.4 million hour net increase due primarily to statutory requirements associated with the Deficit Reduction Act of 1984 (pertaining to income and eligibility requirements); the Department of Education projects a 1.2 million hour net increase due to regulatory changes regarding the administration of student financial assistance; CPSC projects a 5,000 hour net increase due to new information collections for monitoring injuries; and EPA projects a 2.5 million hour net increase due to new regulatory reporting and recordkeeping requirements (particularly those growing out of the 1984 amendments to the Resource Conservation and Recovery Act).

New information collections for FY 1986 will be held to a minimum. A number of new collections, however, will be undertaken in the areas of combating waste, fraud and abuse or in the protection of the public health. For example:

-- The Department of Agriculture, the Department of Health and Human Services, and the Department of Labor will implement the Deficit Reduction Act of 1984's mandated creation of State Income and Eligibility Verification Systems. The Act requires States to undertake extensive reviews for program eligibility for Aid to Families with Dependent Children, Medicaid, Food Stamps and Unemployment Compensation. This initiative is designed to reduce fraud and abuse in the entitlement programs. The new reporting and recordkeeping burden is estimated to be 2 to 3 million hours.

-- The Environmental Protection Agency (EPA) will implement the 1984 amendments to the Resources Conservation and Recovery Act. These amendments require, for example: recordkeeping and reporting by small quantity generators and transporters of used oil; an EPA identification number or generic description of waste and health

TABLE 3. ALLOWANCES FOR FY 1986
(In thousands of respondent hours)

		REDUCTION FROM BASE		FY 1986 NEW COLLECTIONS		FY 1985-86 NET CHANGE	
	FY 1985 BASE	PROGRAM CHANGE	PERCENT CHANGE	PROGRAM CHANGE	PERCENT CHANGE	PROGRAM CHANGE	PERCENT CHANGE
GOVERNMENT TOTAL	1,894,071	(71,727)	(3.79)%	12,792	0.68 %	(59,934)	(3.11)%
DEPARTMENTS:							
AGRICULTURE	71,655	194	0.27	2,225	3.11	2,419	3.38
COMMERCE	6,202	(526)	(8.48)	337	5.43	(189)	(2.05)
DEFENSE	461,777	(10,890)	(2.36)	1,688	0.37	(9,202)	(1.99)
EDUCATION	34,222	867	2.52	378	1.10	1,241	3.63
ENERGY	12,682	(685)	(5.40)	82	0.65	(603)	(4.75)
HHS	184,391	(11,814)	(6.41)	2,829	1.53	(8,985)	(4.87)
HUD	14,015	(464)	(3.31)	60	0.43	(404)	(2.88)
INTERIOR	6,556	(186)	(2.84)	50	0.76	(136)	(2.07)
JUSTICE	3,680	(405)	(11.01)	11	0.30	(394)	(10.71)
LABOR	77,420	(14,924)	(19.29)	728	0.95	(14,196)	(18.34)
STATE	1,445	(25)	(1.73)	1	0.07	(24)	(1.66)
TRANSPORTATION	85,445	(4,321)	(5.06)	526	0.62	(3,795)	(4.44)
TREASURY	703,221	(18,916)	(2.67)	1,562	0.22	(17,353)	(2.45)
AGENCIES:							
CFTC	1,092	(19)	(1.74)	0	0.00	(19)	(1.74)
CPSC	396	(1)	(0.25)	6	1.52	5	1.26
EPA	32,255	909	2.82	1,648	5.11	2,557	7.92
EEOC	3,075	(87)	(2.83)	0	0.00	(87)	(2.83)
FCC	14,009	(714)	(5.10)	4	0.03	(710)	(5.07)
FDIC	1,387	(22)	(1.59)	0	0.00	(22)	(1.59)
FERC	4,313	(76)	(1.76)	10	0.23	(66)	(1.53)
FEMA	797	(50)	(6.27)	15	1.88	(34)	(4.27)
FHLBB	2,010	(40)	(1.99)	3	0.15	(37)	(1.84)
FRB	8,071	(231)	(2.86)	20	0.25	(211)	(2.61)
FTC	67,934	(2,595)	(3.82)	11	0.02	(2,584)	(3.80)
GSA	644	(14)	(2.17)	1	0.16	(13)	(2.02)
ICC	988	(537)	(54.35)	42	4.25	(495)	(50.10)
NASA	17,763	(3,080)	(17.34)	63	0.35	(3,017)	(16.98)
NCUA	2,475	(100)	(4.04)	1	0.04	(99)	(4.00)
NSF	4,591	(141)	(3.07)	3	0.07	(138)	(3.01)
NRC	7,035	(115)	(1.63)	79	1.12	(36)	(0.51)
OPM	6,246	(205)	(3.28)	2	0.03	(203)	(3.25)
PBB	1,224	(23)	(1.88)	3	0.25	(20)	(1.63)
SEC	40,764	(1,949)	(4.78)	0	0.00	(1,949)	(4.78)
SBA	2,777	(122)	(4.39)	55	1.98	(67)	(2.41)
VA	6,514	(406)	(6.23)	338	5.19	(68)	(1.04)
TOTAL	1,894,071	(71,727)	(3.79)	41,618	2.20	(30,109)	(1.59)
HHS	184,391	(11,814)	(6.41)	31,655	17.17	19,841	10.76

exposure assessments for land disposal permits; and detailed biennial reporting of quantity and nature of hazardous wastes generated each year. These amendments will add approximately 2 million hours to the total annual burden imposed by the EPA.

Major Paperwork Reductions To Occur During FY 1986

Some of the most significant paperwork cuts anticipated during FY 1986 include:

DEPARTMENT OF DEFENSE

Reduction of 9.3 million hours in the procurement-related recordkeeping and reporting requirements. DOD will continue to expand the use of automated methods and will reduce the comprehensive analyses of technical data required under contract reporting.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Reduction of over 7.6 million burden hours as a result of three initiatives: 4.6 million burden hour reduction from the "Hospital Skilled Nursing Facility and Health Care Complex Cost Report" (reducing the hospital cost reporting and recordkeeping requirements of the "Medicare Log"); 1.7 million hour reduction from the utilization of electronic media for medicare reimbursements ("Common Claim Form"); and 1.3 million hour reduction from utilization of electronic media for Medicare reimbursement ("Uniform Hospital Bill").

DEPARTMENT OF LABOR

Reduction of 8.6 million burden hours in the Occupational Safety and Health Administration (OSHA). OSHA will propose regulatory changes, which will convert to certification of 19 paperwork requirements for extensive and burdensome records of tests, inspections and maintenance checks.

DEPARTMENT OF TRANSPORTATION

Reduction of 3.9 million burden hours associated with the "Driver's Duty Safety Record." The Department of Transportation will initiate a rulemaking to eliminate four data requirements that appear to be unnecessary for enforcement of the Federal regulations, which limit the number of hours truck and bus drivers may be on the road each day. The information is also duplicative of data available from other sources.

DEPARTMENT OF THE TREASURY

Reduction of over 22 million burden hours due to four initiatives: 13 million hour reduction because of an increase in the number of filers submitting wage and fact statements (W-2s) via magnetic media; 5.5 million hour reduction attributed to the elimination of remaining regulatory requirements for contemporaneous recordkeeping for business use of automobiles; 2 million hour reduction by eliminating the "Residential Energy Credit Form"; and 1.4 million hour reduction attributed to the one-time Distilled Spirits Stock Tax recordkeeping requirements.

FEDERAL TRADE COMMISSION

Reduction of approximately 2.5 million hours by amending the regulation requiring the pre-sale availability of written warranties. The Federal Trade Commission would allow retailers to comply with the regulation by displaying the warranty near a product or by making the warranty readily available upon request of the consumer.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Reduction of over 2.2 million hours by revising the National Aeronautics and Space Administration (NASA) procurement regulations. NASA will increase the use of consolidated contracts for awards, increase the threshold for small purchase actions, and reduce general reporting requirements.

SECURITIES AND EXCHANGE COMMISSION

Reduction of over 1.3 million hours in its collection under Form 10K, an annual financial reporting requirement imposed on issuers of publicly-traded securities. The Securities and Exchange Commission would allow small issuers to use alternative shorter forms to report the necessary data.

Reduction Strategies for FY 1986 and Future Information Collection Budgets

For the first three ICBs (FY 1981, 1982, and 1983), the government-wide reductions exceeded the statutory goals set by the Paperwork Reduction Act (32 percent versus 25 percent). No statutory goals were imposed beyond 1983. In 1984, the Administration set a goal of 6.5 percent reduction in paperwork. The actual reduction in FY 1984 was 3.4 percent, far short of the Administration's goal. In 1985, agencies achieved an actual 4.3 percent reduction, whereas the target reduction was 3.3 percent. In 1986 a reduction of 3.11 percent is expected.

The shortfall in 1984 did not reflect a lack of commitment of executive branch agencies to reduce Federal paperwork. The 1984 shortfall did reflect, however, the tremendous growth in paperwork requirements specifically imposed by new statutes. The Congress, as well as the executive branch, has become increasingly and appropriately concerned with fraud, abuse, and waste in government entitlement, grant and loan programs, and compliance with the tax laws. While these efforts must be pursued, highly prescriptive statutes enacted by the Congress provide less flexibility to the executive branch to achieve the ends of the legislation through less burdensome and intrusive means.

Since 1980, many of the non-controversial discretionary reductions have been achieved, and over 500 million burden hours have been eliminated. Today's paperwork differs from that of the past: it is specifically prescribed by statutes or regulations, and therefore executive branch discretion to make changes within these constraints is limited. Moreover, the remaining paperwork requirements are often controversial and relate to health and safety questions as well as compliance and enforcement issues. Indeed, they have been growing year by year. Whenever Federal agencies have had flexibility in implementing statutory changes, they have tried to do so in the least burdensome manner.

The first years of implementing the Paperwork Reduction Act gave us the opportunity to eliminate the paperwork burden that was clearly unnecessary, duplicative, or otherwise unjustified. We have worked with the agencies to prevent the creation of future paperwork burdens that repeat these mistakes. Our prior success has diminished opportunities to achieve significant additional reductions in these areas. Most remaining paperwork is either firmly grounded in statute or thoroughly justified to meet the agencies' mandates. For that reason, OMB has, with the support of the affected agencies, developed a long-range strategy in order to continue achieving, at both the Federal and State level, meaningful reductions in unnecessary and burdensome paperwork. The new strategy involves action the Administration can take alone to direct Federal agencies and actions it could undertake in concert with the Congress, States and interested members of the public.

In last year's ICB, we directed the Federal agencies to: (1) review regulations for potential areas of reduction (including the substitution of certifications for extensive recordkeeping and reporting requirements and allowing for respondents to comply with performance rather than product or design standards), (2) reduce the frequency of reporting, (3)

expand the use of electronic transfer or magnetic tape, and (4) coordinate and cooperate to ensure uniform standards for collection requirements across agencies. Examples of these initiatives are discussed in Section III. Of importance are:

-- Use of Certificates: The Department of Labor's Occupational Safety and Health Administration (OSHA) has proposed to eliminate 8.6 million hours in recordkeeping requirements by revising safety standards found in 29 CFR Parts 1910, 1915 and 1926. Following a comprehensive review of its safety regulations, OSHA identified as unnecessarily burdensome 19 separate provisions requiring employers to prepare and maintain records of tests and inspections of equipment and materials. OSHA has published a notice of proposed rulemaking which, after finding that "maintaining extensive records which describe the results or findings of a test or inspection does not make a workplace safe," would allow employers to certify that they have conducted required tests and inspections and have taken any required actions. The 19 provisions include recordkeeping requirements for inspections cranes, derricks, mechanical power presses, welding and cutting equipment, hoists, and hooks.

-- Enhanced coordination among agencies: For example, the Census Bureau and the Department of Agriculture's (USDA) Statistical Reporting Service each have duplicative efforts in gathering data about farms. To minimize this overlap, these agencies were directed to work together to develop a joint mailing list for data gathering purposes. Previously, the Census Bureau's procedures imposed an unnecessary burden on millions of respondents (who did not qualify as farm operators), undercounted the number of farms (particularly small farms), and duplicated some of USDA's efforts. By redirecting their resources and working cooperatively, a more accurate mailing list for the 1987 Census of Agriculture will be developed, one which will minimize unnecessary burden and duplication on non-farm taxpayers.

-- Use of Standard Forms: Although the Department of Commerce has the lead responsibility for implementing the requirements of Executive Order No. 11625 (requiring all Federal departments and agencies to increase minority enterprise efforts) and Executive Order No. 12432 (requiring each Federal agency to develop and implement incentive techniques to encourage greater minority business subcontracting by Federal government contractors), agencies have been developing their

497-511 O - 86 - 3 : QL 3

own reporting requirements, often with different data elements and reporting frequency. The Department of Commerce has been directed to work with all other interested agencies to develop a standard form, with possible implementation by FY 1987.

This year OMB has instituted a new process to help the Federal government's paperwork reduction efforts. In the agency submissions to OMB, they included a narrative summary detailing specific program areas the agency will review for potential reduction in recordkeeping and reporting requirements. In these submissions, agencies included timetables designating all the major milestones to be achieved and estimates of reduction in recordkeeping and reporting requirements that would be anticipated once the reviews have been completed. Agencies identified a wide variety of reviews that they will undertake in FY 1987 and FY 1988.

Examples of these initiatives include:

DEPARTMENT OF AGRICULTURE

- The Food and Nutrition Service (FNS) will review the requirements associated with National School Lunch Program, particularly the recordkeeping requirement pertaining to the records that food service companies must keep to demonstrate nonprofit status and the reporting burden associated with the "Daily Meal Counts" requirements. FNS expects a 5 million burden hour reduction by the end of FY 1987.

- The Farmers Home Administration will review the "Management and Supervision of Multiple Family Housing Borrowers and Grant Recipients" regulation, starting in April 1986. Through the use of a new automated accounting system and elimination of a survey form, a reduction of approximately 149,000 burden hours could be achieved by February, 1987.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- After extensive study by the Institute of Medicine on long term health care issues, the Health Care Financing Administration (HCFA) intends to initiate rulemaking proceedings to eliminate those information collection requirements that are either overly prescriptive or do not achieve the agency's objectives. A paperwork reduction of approximately 1.1 million hours is expected to be achieved by the end of FY 1987.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- The Department of Housing and Urban Development (HUD) expects that the burden hours associated with the certification and recertification of tenant eligibility can be reduced by 1.1 million burden hours by eliminating a number of forms and worksheets currently in use. The process, which will begin in FY 1986, could result in an estimated 38 percent burden hour reduction from the agency's base by September 1987.

- HUD will also investigate the paperwork burden imposed on the manufactured housing industry. As the Department announced in last year's Regulatory Program, the current system imposes a greater burden than necessary to accomplish the Department's statutory objectives. As part of an overall review, four existing information collections in the manufactured housing program, with a total public burden of nearly 350,000 hours, will receive particularly close scrutiny for possible burden reductions.

DEPARTMENT OF LABOR

- The Department of Labor's Mine Safety and Health Administration (MSHA) has undertaken a comprehensive review of the agency's underground coal mine and metal and nonmetal standards in order to, among other goals, eliminate duplicative, unnecessary and overly burdensome reporting and recordkeeping requirements. To date, the agency has identified about 460,000 hours in potential burden reductions in seven safety standards dealing with mine ventilation, safety defect records of equipment, escapeways, and records of fire drills and fire-fighting training programs. MSHA anticipates that most of these potential reductions will occur in FY 1987.

DEPARTMENT OF THE TREASURY

- The Internal Revenue Service (IRS) has negotiated an agreement with the Social Security Administration to increase the number of Form W-2s filed on magnetic tape. A proposed regulation has been issued requiring all employers filing 500 or more W-2s to submit them on magnetic tape beginning with tax year 1986 forms filed in February 1987. The following year, the threshold for electronic filing will be lowered to cover all employers filing 250 or more W-2s. This regulatory change is expected to result in an estimated burden reduction of approximately 18.2 million hours.

- The IRS is also considering the implementation of a return-free tax system in which individual taxpayers who meet certain requirements would not have to file income tax returns. Instead, IRS would, at the election of each eligible taxpayer, compute the taxpayer's liability based on withholding and information reports provided to IRS currently. The extent of participation in the return-free system depends on the extent to which the tax code is simplified by the Congress in its consideration of the President's tax reform proposals and also on the implementation of legislation to enable the IRS to operate a return-free system. The potential burden reduction from a fully implemented return-free system is substantial.

ENVIRONMENTAL PROTECTION AGENCY

- As part of its efforts to control water pollution, the Environmental Protection Agency (EPA) requires permits for water pollution dischargers and the periodic submission of discharge monitoring reports. This reporting requirement imposes the greatest burden of any item in the agency's ICB, with an estimated 512,000 reports submitted annually. EPA is conducting two studies to assess the cost-effectiveness, quality, and usefulness of its discharge monitoring report. These studies will be the starting point for a Task Force which will be convened in the spring of 1986 to examine ways to reduce reporting burden while continuing to assure compliance with the Clean Water Act. Because the reporting requirements are contained in regulations and in thousands of individual water pollution discharge permits, improvements in the program will become apparent only after a period of several years.

FEDERAL COMMUNICATIONS COMMISSION

- On January 3, 1985, the Federal Communications Commission (FCC) released a notice of proposed rulemaking to revise the "Uniform System of Accounts" for telephone companies. Under the revision, a large number of current Class A carriers would qualify for the less detailed Class B accounting requirements. The FCC estimates at least a 20 percent reduction in the total annual burden could be achieved by January, 1987.

In sum, multiyear targeting has become essential to the success of the paperwork reduction goals. These multiyear targets permit agencies to accomplish burden reductions in areas where rulemaking, which is often a protracted process, cannot be initiated quickly to change an information

collection requirement. The inclusion of a timetable encourages long-range planning to develop feasible strategies for accomplishing paperwork reduction measures.

Actions in Concert with the States and the Congress

The Administration recently transmitted legislation to eliminate: (1) various unnecessary mandatory reports to the Congress from Federal agencies, and (2) archaic or outdated legislative impediments to reducing reporting requirements that cannot be administratively eliminated.

The Administration has also explored the opportunity for Federal, State, and local governments, in concert with affected public groups, to develop joint or common use forms, surveys, and other information collections. An excellent example of such a cooperative effort is the "Medicare Uniform Billing Form" and "Common Claim Form," which were designed by the American Medical Association, the medical insurance industry, and State and Federal health officials. They have replaced many different forms previously used and will significantly reduce the burden imposed. The Department of Health and Human Services estimates that currently these forms impose a burden of 30.5 million hours; the "Uniform Billing Form" and "Common Claim Form" will impose a burden of only 29 million hours, thus representing a net savings to the public of 1.5 million hours. These forms will not only reduce burden, but also will expedite claims processing time, reduce error rates, and augment the trend toward paperless billing.

Reducing the reporting and recordkeeping burden imposed on society can no longer be accomplished merely by the ICB process and individual paperwork reviews. It requires cooperation by the executive branch, the Congress, and the States--cooperation to ensure that only those reporting or recordkeeping items truly necessary are imposed, and that those required are imposed in the least burdensome manner.

SECTION III: THE INFORMATION COLLECTION BUDGET BY AGENCY

This section presents detailed information on FY 1986 paperwork reductions for each of the Federal departments and agencies covered by the Information Collection Budget (ICB). Each agency's account identifies specific changes in paperwork requirements to be made during FY 1986 and the specific program areas the department or agency will review to reduce unnecessary recordkeeping and reporting requirements.

FY 1985 Adjusted Base	71,655,456 Hours
Reductions from Base	+194,000 Hours
New Collections	+2,225,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The Department of Agriculture's (USDA) FY 1986 ICB is consistent with the President's FY 1986 fiscal budget and legislative program. The major decreases and increases provided in USDA's FY 1986 ICB are:

- Continued expansion of the Farmers Home Administration (FmHA) Coordinated Financial Statements--an increase of 298,500 hours.
- The action required by the court decision on the FmHA "Borrower Acknowledgement of Notice of Intent to Take Adverse Action"--an increase of 42,900 hours.
- The expansion of the Food and Nutrition Service (FNS) "AMP Reconciliation Report" to have a more accurate audit record and to reduce waste, fraud and abuse--an increase of 74,442 hours.
- A new FNS collection to respond to the Deficit Reduction Act of 1984's requirement for income and eligibility verification of food stamp recipients--an increase of 2,128,695 hours.
- An improved "Integrated Survey Program in the Statistical Reporting Service" (SRS)--a reduction in the "Grain Stock Reports" of 22,498 hours.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

Several USDA agencies are reviewing their program regulations during FY 1986 to reduce the paperwork burden imposed on the public. For example, the FmHA is reviewing its management regulations for borrowers in the Multiple Family Housing Program, and will examine alternative account servicing strategies for use with a new automated, agency-wide information management system. Both the Forest Service and the Food Safety Inspection Service expect burden reductions as a consequence of their review of, respectively, the Timber

Management Program and the meat and poultry slaughter regulations. Similarly, the Agriculture Stabilization and Conservation Service's Cotton and Peanut Programs and the Rural Electrification Administration's "Construction Work Plans" will be reviewed.

The Department's most significant burden reductions, however, will occur in the National School Lunch Program regulations. During FY 1986, the FNS will consider revising two reporting requirements for burden reductions: (1) the meal count reporting requirement levied on school food authorities, and (2) the non-profitability reporting requirements imposed on school food service management companies. The burden reduction potential for these revisions is estimated to be about 5 million burden hours. But, because these reduction proposals involve substantial regulatory revisions, burden reductions most likely will not be accomplished during FY 1986 nor made applicable to the 1985-86 school year.

FY 1985 Adjusted Base	6,202,434 Hours
Reductions from Base	-526,000 Hours
New Collections	+337,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

For FY 1986, the bulk of the Department of Commerce's reduction will be accomplished by eliminating completed portions of information collections in its "Survey of Income and Program Participation." Other reductions will include: (1) raising the exemption level for the "Survey of U.S. Direct Investment Abroad," (2) requesting less detail on the form for the "Report on Shipments to Federal Government Agencies," and (3) eliminating surveys no longer required, requesting less data, and eliminating unnecessary surveys. In addition, the International Trade Administration's (ITA) Small Business Export Development Program is being terminated.

Because certain programs were not extended in the President's budget we have also eliminated them from our ICB. These programs are the "Public Telecommunications Facilities Grant" application and the Economic Development Administration.

New collections with significant burdens will include: (1) user surveys to determine customer satisfaction with products now provided through the National Technical Information Service (NTIS), (2) a procurement collection with automated contract clauses and solicitation provisions, and (3) pre-tests for the 1988 economic quinquennial census and the 1990 decennial census.

A pretest for the "Benchmark Survey of Service Transactions Between U.S. Persons and Unaffiliated Foreign Persons" is planned for FY 1986. This survey is consistent with the President's program to obtain more complete and accurate information in the area of international service transactions.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Department will: (1) continue to review ITA's export administration collections of information, especially recordkeeping requirements, and Export Administration

regulations in general to make them more understandable to exporters and to simplify, consolidate or eliminate burdensome documentation and reporting requirements, (2) review the National Oceanic and Atmospheric Administration's recreational fishing surveys and its domestic fishing permit collection for possible reductions, and (3) review the Patent and Trademark Office's rules and regulations in an effort to streamline existing information collections.

FY 1985 Adjusted Base	461,777,355 Hours
Reductions from Base	-10,890,000 Hours
New Collections	+1,688,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

For FY 1986, the most significant reductions in the Department's burden will be in the area of procurement information collections. The time required to prepare proposals in response to Department of Defense (DOD) actions will be reduced by 5 million hours. This reduction is based on the continued expansion and application of automated small purchase methods, and is consistent with the policy expressed in Executive Order No. 12352.

Comprehensive analysis of requirements for technical data acquired under contract will continue. Further efforts to remove unnecessary requirements for delivered goods will reduce the public burden by over 4 million hours in FY 1986.

A major survey of military spouses will be completed. Additional hours for surveys will be requested to improve the recruitment and retention of military personnel. New army community support programs will be evaluated, emphasizing the impact on recruitment. In addition, Reserve Affairs will be conducting a one-time survey of spouses of Reserve and National Guard personnel to support ongoing compensation, retention, and mobilization studies.

An additional burden will be proposed to acquire a certification of eligibility for "Civilian Health and Medical Program of the Uniformed Services" (CHAMPUS) benefits. This certification plays an important role in identification and prosecution of fraud and abuse.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Department continues to review procurement paperwork, which comprises over 98 percent of its public burden. The Department will conclude its efforts by review of Defense Supplements to the Federal Acquisition Regulation to ensure that duplicative or unnecessary requirements are eliminated.

To facilitate the maintenance of weapons systems procured by the Department, prototype programs are underway to automate technical information. This includes creation, storage, and distribution of technical manuals and related documents. These joint contractor and government studies may reduce existing paper copy by as much as 90 percent during the FY 1986 - FY 1990 period.

The Department is reviewing its program for granting security clearances to installations and individuals in order to reduce the number of clearances, while improving adequacy and timeliness of reviews. The impact on the public burden will be determined.

FY 1985 Adjusted Base	34,221,894 Hours
Increases to the Base	+863,000 Hours
New Collections	+378,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The Department is committed to improving the management and efficiency of Federal student financial assistance programs and anticipates a small increase in recordkeeping and reporting requirements for these programs. With the phase-out of the Federal Insured Student Loan Program, reductions in the recordkeeping burden related to the repayment process will be realized.

Quality control studies, begun in FY 1985, will be expanded to assess the feasibility of placing responsibility for quality control at the institutional level. The Department has also initiated activities to collect statistically valid information on the student aid population for budget and policy planning. These activities are consistent with the President's initiative to eliminate waste and abuse in federally funded programs.

The Department is committed to improving the accuracy and integrity of its educational data. A redesign of the higher education information system was initiated several years ago and is now being implemented. Presently, the conceptual phase of a major redesign effort for the elementary and secondary information collections is underway. This effort will be carried out over the next several years, commencing with a field-test in FY 1986 and implementation in FY 1987. The Department is particularly interested in broadening its information base about student knowledge, learning and educational outcomes consistent with the Federal role to provide meaningful statistics on the condition of education.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Department will seek ways to make fundamental changes in the student aid delivery system. Emphasis will be placed on an assessment of alternatives for administering the Guaranteed Student Loan/Plus (GSL/PLUS) program to reduce recordkeeping and reporting burden. Proposals for changes

will be reviewed for implementation through a Notice of Proposed Rulemaking and/or the reauthorization for the GSL/PLUS program.

In response to Circular No. A-102 revisions and related Federal regulations, the Department will examine ways to streamline the discretionary grant process. This will include a review of Education Department General Administrative Regulations (EDGAR) and the paperwork associated with the pre-award process, aiming for uniformity in the administration of grants to State and local governments and other entities to eliminate unnecessary paperwork.

FY 1985 Adjusted Base	12,681,620 Hours
Reductions from Base	-685,000 Hours
New Collections	+82,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

In general, the Department's paperwork reduction efforts in FY 1986 focus on the management and procurement areas, a continuation of the efforts begun in FY 1985. The Department will also address the concerns regarding "micromanagement" of contractors (particularly of the government-owned, contractor-operated (GOCO) contractors) which were expressed by the Grace Commission, the Packard Commission, and the Energy Research Advisory Board.

The Energy Information Administration (EIA) has initiated reviews of its information collections on a program basis. These reviews, along with public consultations during the review process, will culminate in streamlined programs designed to minimize respondent burden while continuing to satisfy EIA's information needs. Reviews of the "Petroleum Supply Reporting System" and the Oil and Gas Reserves program are expected to reduce total reporting burden by approximately 36,000 hours during FY 1986. In addition, changing the "End Use" program from biennial to triennial will reduce respondent burden by over 4,000 hours.

EIA will also work with the Office of Civilian Radioactive Waste Management during the review of Form RW-859, "Nuclear Fuel Data." Proposed revisions include the elimination of some data elements and the use of computer-generated forms with preprinted data. These revisions will result in a burden reduction of over 13,000 hours.

The new energy information collections that the Department will impose on the public will include: (1) development of energy production and consumption data in areas not previously covered, imposing approximately 47,000 hours (Forms EIA-846(F) and EIA-867), (2) development of tools to improve the effectiveness and statistical efficiency of existing information collections (Form EIA-863), and (3) collection of data to help manage the Department's program for the disposal of spent nuclear fuel (Form RW-866).

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

Departmental management and procurement information collections will be reviewed in FY 1986 to achieve reductions where possible. Specific reviews will be conducted in the construction and project management and financial assistance areas. EIA will continue its review program for all EIA-sponsored information collections. The reviews will focus on the possibilities for data consolidation or elimination, and the potential for further burden reductions through the use of more efficient statistical methodologies or new information collection technologies.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FY 1985 Adjusted Base	184,391,136 Hours
Reductions from Base	-11,814,000 Hours
New Collections	+2,829,000 Hours
New Collections (with anomaly)	+31,655,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

All information collection activities proposed in the Department of Health and Human Services' FY 1986 ICB request are consistent with the President's Programs. In FY 1986, major paperwork reductions are proposed for the following information collection activities: hospital cost reporting will decrease by 4.6 million hours primarily due to the final elimination of the "Medicare Log"; the Health Care Financing Administration's (HCFA) efforts to increase the utilization of electronic media for medicare providers and suppliers in FY 1986 will result in a 3 million hour burden reduction; the Food and Drug Administration (FDA) will modify current recordkeeping and procedural requirements for "Good Laboratory Practice Regulations for Nonclinical Laboratory Studies" and achieve a burden reduction of 574,000 hours; FDA will modify the "Medicated Feed Application" process for certain specified feeds containing medication for a reduction of 220,000 hours. A revision by the Social Security Administration (SSA) in the procedures for the submission of Form W-2, Wage and Tax Statement, will result in a burden reduction of 470,000 hours; and SSA will implement a short form for use in certain cases to determine a recipient's continuing eligibility for Supplemental Security Income payments, which will reduce burden by 150,000 hours.

Reductions in burden will be more than offset by HCFA's plan to implement new Medicaid billing requirements. For the first time, HCFA will require States to use the "Uniform Bill Form" and the "Common Claim Form" for the administration of the Medicaid program. The implementation of this new Federal requirement will result in an accounting increase of 29 million hours in the ICB. However, this new Federal burden will replace existing burden for State forms of approximately 30.5 million hours. Hence, the introduction of Federal standardized forms will effectively reduce the total burden associated with Medicaid claims by 1.5 million hours in FY 1986.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Department will continue existing review activities, and undertake several new major burden reduction initiatives in FY 1986. HCFA proposes to modify the Medicaid billing procedures in an effort to realize the efficiencies that standardization of forms and increased utilization of electronic media brought to Medicare. In addition, HCFA will continue to review its regulatory conditions of participation for Medicare and Medicaid to eliminate unnecessary and overly prescriptive requirements. FDA will review existing testing and reporting requirements for cosmetic products, medical devices, and the manufacture of blood grouping serum. The Health Resources and Services Administration proposes to modify the "Medical Facility Construction and Modernization" regulation requirements to eliminate reporting by public medical facilities. SSA will modify the annual wage reporting process with emphasis given to increasing magnetic media reporting of wages by employers.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FY 1985 Adjusted Base	14,014,709 Hours
Reductions from Base	-464,000 Hours
New Collections	+60,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

During FY 1986, the Department of Housing and Urban Development (HUD) will begin to realize the burden reductions from the phased discontinuation of multiple worksheets which are used to compute tenant contributions toward rent in HUD-administered assisted and subsidized multifamily housing programs. The worksheets were designed to simplify the otherwise complex new statutory requirements for determining application eligibility for program participation and computing increases in payments for specified classes of tenants. The FY 1986 decrease of over 287,000 burden hours reflects HUD's strategy to simplify progressively the implementation of the statutory requirements over a four to five year period. The Department expects additional large reductions in later years.

Although there are similarly complex new statutory requirements for computing tenant payments in assisted and subsidized housing programs administered by Public Housing Authorities (PHAs), HUD has taken advantage of an important difference in the way these programs operate to avoid the imposition of more than 1 million burden hours on respondents. Instead of requiring PHAs to use the HUD worksheets, the Department has provided sample worksheets and instructions as technical assistance. PHAs are free to use HUD procedures or to develop their own, as long as they comply with the applicable statutory requirements.

Both the phased reduction and the technical assistance approaches, which have been applied to minimize burden in the largest two information collections in HUD's public use inventory, are examples of the Department's strategy to balance statutory requirements and responsible program management requirements with the Administration's goal of reducing public reporting burden.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

HUD plans to continue to review aggressively new regulatory proposals in all program areas to eliminate unnecessary reporting and recordkeeping requirements and minimize burden that cannot be eliminated. Specific reviews will be directed at requirements associated with the Community Development Block Grant and Urban Development Action Grant programs, and Manufactured Housing regulations. Four existing information collections in the Manufactured Housing program, with a total public burden of nearly 350,000 hours, will receive particularly close scrutiny for possible burden reductions. In all cases HUD will continue to manage the information collection process to balance statutory requirements and sound fiscal and program management practices with realistic burden reduction goals.

FY 1985 Adjusted Base	7,556,380 Hours
Reductions from Base	-186,000 Hours
New Collections	+50,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The Minerals Management Service will publish a major revision of the regulations governing operations on the outer continental shelf. This revision will consolidate existing requirements into a single document, remove redundancies, and reflect new developments in the areas of safety, environmental concerns and technology. The rules will decrease the burden on the public by eliminating unnecessary requirements and better utilizing existing information. This may result in a reduction of 10,000 hours.

After several years of significant burden reductions, the Office of Surface Mining will increase its burden in FY 1986. Judicial decisions require the Office to increase the amount of information collected from industry related to air pollution control, bonding requirements and other areas. The magnitude of the necessary changes cannot be determined until all related decisions are issued in final form.

The Bureau of Indian Affairs will reduce burden by more than 10,000 hours by consolidating, reducing and eliminating various forms used by the Office of Indian Education Programs. Similar reductions may be possible in other program areas.

The Bureau of Land Management will reduce the burden connected with the "Monthly Report of Operations" by 80,000 hours. The reduction will be achieved by implementing an automated production accounting and auditing system, which will greatly diminish time and resources used by respondents to supply information about leases.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Office of Surface Mining will review its regulations governing reclamation and operations plans for surface and underground mining (30 CFR 780 and 784). The review will examine the need for the information and the possibility of using information obtained from State regulatory authorities.

FY 1985 Adjusted Base	3,680,000 Hours
Reductions from Base	-405,000 Hours
New Collections	+11,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

During FY 1987, the Drug Enforcement Administration will initiate the phase-in of a three-year registration period for all renewals and new registrants for the manufacture and distribution of controlled substances; the anticipated burden reduction is 104,000 hours. The Immigration and Naturalization Service (INS) is redesigning the forms utilized by the Adjudications Casework Section. Eight of these forms account for over 80 percent of the INS public burden, and almost 70 percent of the total burden for the Department of Justice. It is anticipated that these revisions will result in reductions in FY 1986 and 1987 of approximately 200,000 hours. The Bureau of Justice Statistic's Census of Prisons will have a reduction of 5,000 hours that reflects the completion of the "Children in Custody Census" and a reduction of 50,000 hours for the "National Crime Survey" which has recently undergone a major design change in adopting a core/supplement approach.

The major increase (25,000 hours) is attributed to the Federal Bureau of Investigation's "Arson Incident Report." Other increases may be in the program areas that would be impacted by immigration legislation. Should such legislation be enacted by the Congress during FY 1986, the Department's burden on the public could significantly increase. No other major increases are planned.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The two-tiered review process, which has proven most effective in the past, will continue to be utilized to review all clearance requests for possible reductions. In addition, each office, board, division or bureau that uses public reports will be requested during FY 1986 to review those collections in place to determine that: a valid need exists for the information; the information collected is limited only to that needed to satisfy the collection's purpose; the reporting frequency is consistent with the need for the data; and the reported burden is accurate. These reviews will run

concurrently with the quarterly ICB burden reports. At a minimum, one quarter of a particular office's, board's, division's or bureau's public reports will be reviewed using the criteria above, each quarter of FY 1986. Additionally, with the expiration of each OMB approval, those collections submitted for extension will be thoroughly reviewed to determine accuracy of the burden estimate and need for the collection. By the end of FY 1986, all public use information collection program areas will have been reviewed.

FY 1985 Adjusted Base	77,852,129 Hours
Reductions from Base	-14,934,000 Hours
New Collections	+738,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

A greatly simplified reporting system for State Employment Service Agencies will be installed. This system will consolidate the needs of three programs: (1) Employment Security, (2) Work Incentive, and (3) Veteran's Employment and Training Services. Simplified Federal reporting will also relieve State agencies of the recordkeeping and subsidiary reporting necessary to fulfill Federal data requirements. This will result in a total reduction of approximately 3.7 million hours.

Several major burden reduction efforts initially scheduled for FY 1985 were delayed, and will be concluded in FY 1986. These reductions will include the revision of 19 Occupational Safety and Health Administration (OSHA) regulations, which impose 8,593,883 burden hours for recordkeeping, to require employers simply to certify compliance with testing and maintenance requirements.

Increases in burden over last year result primarily from:

- Two Bureau of Labor Statistics (BLS) surveys, the Supplementary Data System, and Permanent Mass Layoff and Plant Closing, which, though not new, will require an increase in burden of 488,000 hours.

- OSHA's new safety standard to reduce the occurrence of fires and explosions in grain handling facilities which will impose an estimated burden of 215,000 hours.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

A comprehensive review of the Employee Retirement Income Security Act (ERISA) reporting requirements began in FY 1985 and will conclude during FY 1986. Of special interest is the Form 5500 series, the "Annual Report on Employee Benefit Plans." Working with the Internal Revenue Service and other affected agencies, the Office of Pension and Welfare Benefits

Programs anticipates developing a more effective, and substantially less burdensome, form in time for the FY 1986 reporting cycle.

The Mine Safety and Health Administration will review the recordkeeping requirements associated with seven mining safety standards. Modification of these regulations could result in a reduction of up to 459,819 burden hours in FY 1987.

FY 1985 Adjusted Base	1,445,555 Hours
Reductions from Base	-25,000 Hours
New Collections	+666 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

For FY 1986, the Department will permit the export, without a license, of unclassified defense articles which were sold by the U.S. Department of Defense directly to foreign governments or international organizations under the Foreign Military Sales Program. Duplication of Federal recordkeeping occurs in those instances when a government-to-government military sale is shipped through a private freight forwarder or other commercial channel. The new form is designed to eliminate the duplicative collection by the Department of export data on sales already approved through the Department of Defense.

Executive Order No. 12535 prohibits certain transactions between U.S. firms and South Africa and contains a list of fair labor principles to which U.S. firms are expected to adhere. The Department has developed a registration form and questionnaire to implement the provisions in the Executive order. Also, the Department will impose a requirement that providers of automobile insurance to individuals entitled to diplomatic immunity must notify the Department before terminating the coverage. This requirement will ensure that these individuals do not evade responsibility for the negligent or improper use of an automobile. These two requirements are expected to increase the Department of State's burden by 3,500 hours.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Department will review three passport services forms with the intention of combining them into one form. This will eliminate duplicative efforts by applicants for passports and other related services.

Also, the Immigrant Visa Application Form will be studied to ascertain what modifications are possible to reduce burden hours. This is a new, broad study coming on the heels of a previously successful reduction in this area and involves communication with several overseas posts. The potential reduction in burden hours can not be estimated at this time.

FY 1985 Adjusted Base	85,445,000 Hours
Reductions from Base	-4,321,000 Hours
New Collections	+526,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

For FY 1986, the Department of Transportation (DOT) plans to reduce the paperwork burden by approximately 4 million hours or 4.7 percent from the FY 1985 base of 85.4 million hours.

The Department is proposing regulatory changes which will result in reductions in several paperwork burdens. For example, the "Driver's Duty Status Record" will be reduced by approximately 25 percent in FY 1986. Other regulatory proposals will affect commercial vehicle inspectors, importation of motor vehicles, recreational boating registrations, aviation security, aviation passenger origin and destination surveys, aviation financial and operating statistics, inflight medical emergency reports, vessel arrivals and departures, and outer continental shelf operations. The Department has not developed estimates as to the total burden reductions that will occur.

The Department is proposing several new surveys to increase public awareness of DOT activities, including: "Direct User Access Terminal Feasibility"; "Reaction to Aeronautical Chart Changes"; "Heliport Flight Activities"; "Runway Friction Measurements"; "Evaluation of Motor Vehicle Theft Laws"; and "Radio Navigation User Surveys."

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Department has made significant reductions in paperwork burdens in the past, and will continue to review its future paperwork requirements. In FY 1986, the Department will be reviewing railroad operating rules, State and community grant programs, maritime aid programs, and pipeline and hazardous materials safety, and conducting individual reviews of all new information collections. In addition, a long-term project is underway at the Coast Guard to review the marine environmental protection and marine safety programs for possible reductions.

FY 1985 Adjusted Base	705,983,387 Hours
Reductions from Base	-18,916,000 Hours
New Collections	+1,563,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

For FY 1986, the U.S. Customs Service will implement procedures that will reduce the public burden associated with the importation of footwear by 562,120 hours. This reduction will result from legislation eliminating the "American Selling Price" method of classification, plus a major revision of the reporting form based on this legislation and on suggestions from respondents.

The Bureau of Alcohol, Tobacco and Firearms (BATF) will increase its burden by approximately 2 million hours due to a new one-time tax collected from an anticipated 300,000 taxpayers on the Internal Revenue Service (IRS) Form 11, "Special Tax Return and Application for Registry." The one-time tax collection was authorized by the Deficit Reduction Act of 1984, which increased the excise tax on distilled spirits.

The Internal Revenue Service (IRS) has entered into an agreement with the Social Security Administration to increase the number of W-2 Forms filed on magnetic media tape. This will reduce the paperwork burden by 18.2 million hours. A proposed regulation will be issued to require all employers filing 250 or more W-2s to submit them on magnetic media beginning with tax year 1986 forms filed in February 1987.

For FY 1986, the Bureau of the Public Debt plans to implement the Treasury Direct Access Book-Entry System for the Bureau-operated Registered Accounts System, thus reducing reporting burden by 469,615 hours. The benefits will be obtained by moving to the full book-entry transactions for new issues of marketable notes and bonds.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The IRS is currently studying the implementation of a return-free tax system where individual taxpayers with simple tax situations would not be required to file income tax returns. It is estimated that almost 50 percent of all

taxpayers could eventually be covered by the return-free system, with a resulting burden reduction of approximately 71 million hours.

BATF will review its excise tax collection system with special emphasis on improving electronic funds transfer procedures, and development of a single tax return to cover all taxes due by multi-site taxpayers.

COMMODITY FUTURES TRADING COMMISSION

FY 1985 Adjusted Base	1,092,000 Hours
Reductions from Base	-19,000 Hours
New Collections	0 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The Commission anticipates a decrease of approximately 17,935 hours in the burden associated with its information collection, "Large Trader Reports" for 1986. Regulations have been drafted to require the submission of large trader data in machine-readable form with a corresponding reduction in burden hours.

The Commission anticipates a decrease of approximately 650 hours in the burden associated with its information collection, "Regulations and Forms Relating to Registration with the Commission" for 1986. Regulations have been drafted to extend the registration period for certain types of registrants from one year to two.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Commission will thoroughly review the following collections in FY 1986 in an attempt to reduce unnecessary burden hours: (1) rules relating to the "Operations and Activities of Commodity Pool Operators and Commodity Trading Advisors" and "Monthly Reporting by Futures Commission Merchants" and (2) "Gross Margining of Omnibus Accounts."

CONSUMER PRODUCT SAFETY COMMISSION

FY 1985 Adjusted Base	395,853 Hours
Reductions from Base	-619 Hours
New Collections	+6,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

In FY 1986, there are no information collection burdens which are increased or decreased by legal provisions or solely because of budgetary considerations. Proposed new information collections fall into three basic categories:

- A pilot study to explore alternative and more comprehensive data sources than those currently used by the Commission's National Electronic Injury Surveillance System;
- Enforcement programs for regulations and programs to monitor voluntary standards; and
- Information collections of injuries associated with certain consumer products, required for Commission decisions on remedial strategies.

Burden hours associated with specific surveys have been eliminated because the surveys were completed in FY 1985. These surveys covered: consumer usage of portable electric heaters, homes with ground fault circuit interrupters, consumer usage of gas fuels, collection of data from fire departments, and compliance with the requirements of the architectural glazing standard.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Commission will review the requirements of regulations under the Federal Hazardous Substances Act. The results of this review and recommendations for changes in regulatory requirements will be presented to the Commission.

The Commission has been working to reduce the burden on vendors seeking to do business with the agency. As a result of this and other efforts, it expects that a reduction of 14,000 hours of the 23,000 hour burden associated with procurement may be possible.

FY 1985 Adjusted Base	32,255,230 Hours
Reductions from Base	+909,000 Hours
New Collections	+1,648,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

In the National Pollution Discharge Elimination System (NPDES) program, the Environmental Protection Agency (EPA) will achieve an 80,000 hour reduction in burden hours by introducing a new shortened permit application form for use by low-impact dischargers. In the motor vehicle certification/fuel economy labeling program, EPA will continue to streamline procedures (e.g., by allowing direct on-line entry of data into EPA systems); this promises reductions of as much as 150,000 hours. In addition, current regulations requiring certification of imported vehicles are being revised; this will yield a burden reduction of at least 80,000 hours. These reductions carry out the President's program of eliminating unnecessary regulatory burdens on the public.

Because of increased statutory responsibilities, the Agency must also increase paperwork burden in some areas. The Resource Conservation and Recovery Act (RCRA) amendments compel the Agency to ask for an increase of 1.9 million hours in new and existing collections, including 422,000 hours of notification requirements for owners of underground storage tanks. In addition, the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) will add 201,000 hours for claims and arbitration; under the Clean Air Act (CAA), the Agency will introduce an New Sewer Performance Standard (NSPS) for Synthetic Organic Chemical Manufacturing Industries that will add 169,000 hours. In adding these requirements, the Agency must balance its desire to reduce burden with the need to respond to mandates from Congress and the Courts.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

EPA is conducting two studies to assess the cost-effectiveness, quality, and usefulness of the discharge monitoring report (DMR) under the NPDES program. The DMR represents the largest item in EPA's ICB, with an estimated 512,000 reports submitted annually. The results of these

studies will provide the starting point for a DMR Task Force to be convened in the spring of 1986. The Task Force will address a broad range of issues, including the cost-effectiveness of the DMR in terms of burden and Agency resources. In the NSPS and National Emission Standards for Hazardous Air Pollutants (NESHAPS) programs, EPA will survey the information requirements in each subpart to establish actual burdens across industries for emissions monitoring, reporting, and recordkeeping requirements for hazardous air pollutants. The study results will form a database that the Agency will use to set priorities for source information requirements and to decide where burden reductions can be achieved.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

FY 1985 Adjusted Base	3,075,000 Hours
Reductions from Base	-87,000 Hours
New Collections	0 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

In response to the Paperwork Reduction Act of 1980, the Equal Employment Opportunity Commission (EEOC) has achieved substantial reductions in the reporting burden associated with its employment surveys. Reductions were accomplished by reducing the frequency of collections, shortening the length of survey questionnaires, modifying reporting criteria, and reducing the respondent universe. Actions of these last two types were specifically designed to reduce the reporting burden on small employers. In FY 1986, the Commission will start conducting the "Local Union Report" (EEO-3) on a biennial rather than annual basis. The Commission is also engaged in a cooperative data collection effort with the National Center for Education Statistics of the Education Department to eliminate duplicative collection of similar EEO-6 data from colleges and universities. This has resulted from standardizing occupational categories, definitions, and reporting concepts.

In FY 1986, the Commision plans to conduct its biennial survey collecting information on elementary and secondary education staff (EEO-5). This will appear as an increase in the paperwork burden, because the collection was not conducted in FY 1985, its off year. When offset by the reductions to be achieved by the Commission in FY 1986, EEOC will achieve net decrease of 87,000 burden hours.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Commission will review all of its recordkeeping and reporting requirements to determine where reductions would least affect its statutory enforcement responsibilities. This will require a reduction 380,000 burden hours from its anticipated FY 1986 burden hours to achieve the target net reduction of 87,000 hours.

The Commission's program offices, other Federal agencies, State and local fair employment practices agencies, and other users of private employer data will be asked to evaluate the

effects any changes in the frequency or coverage of the EEOC's requirements would have on their equal employment opportunity programs.

FY 1985 Adjusted Base	14,009,000 Hours
Reductions from Base	-714,000 Hours
New Collections	+4,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

During FY 1986, the Commission anticipates three major reductions in burden. The Common Carrier Bureau will review requirements imposed on licensees in the Domestic Public Fixed Radio Services, specifically, Part 21 of the Commission's Rules. Many of the paperwork requirements in those services, imposed in the early 1950s when microwave radio was first introduced for use in telecommunications services, may no longer be necessary. Revision of these requirements could result in a burden reduction of over 400,000 hours. The Common Carrier Bureau also proposes to amend a rule (Section 68.106) requiring customers to notify the telephone company of the FCC registration and ringer equivalence numbers of their terminal equipment prior to connecting it to the telephone network. The proposed alternative to the current requirement would reduce burden by 200,000 hours. In FY 1985, the Commission reexamined the need for various technical regulations concerning transmission standards for broadcast stations. In FY 1986, it will eliminate requirements to make and record periodically certain transmitter measurements, a burden reduction of 91,000 hours.

The largest new collection, which the Commission plans to introduce in FY 1986, will impose a burden of only 2,800 hours. The Commission will require volunteer examiner coordinators to maintain lists of questions for use in preparing amateur radio operator examinations.

The Commission's paperwork reduction program is based on its objectives of eliminating unnecessary regulations and policies, and creating, to the maximum extent possible, an unregulated, competitive marketplace for the development of telecommunications. These objectives are entirely consistent with the President's regulatory and legislative programs.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Commission will review at least two programs areas to reduce unnecessary paperwork requirements. As stated above, it will review reporting and recordkeeping requirements in the "Domestic Public Fixed Radio Services" where there is potential for a large burden reduction. The Commission is also revising the Uniform System of Accounts (USOA) it prescribes for Class A and Class B telephone companies. Since Class A telephone companies must keep more detailed records than Class B companies, the Commission believes there is potential for burden reduction by changing the classification criteria for Class A and Class B companies. The Commission estimates that the overall burden imposed by the USOA will decline by 20 percent when the new system is implemented in FY 1987.

FEDERAL DEPOSIT INSURANCE CORPORATION

FY 1985 Adjusted Base	1,387,277 Hours
Reductions from Base	-22,000 Hours
New Collections	0 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

During FY 1986, the Federal Deposit Insurance Corporation (FDIC) expects to achieve a reduction of 33,366 hours in the annual paperwork burden imposed by five of its existing information collections. These reductions will be accomplished as follows: 12,040 reporting hours will be eliminated by the completion of capital plans submissions by those FDIC-supervised banks not meeting the minimum capital standards imposed by FDIC's new rule on Capital Maintenance; 8,000 reporting hours are expected to be saved as more commercial banks adopt automation techniques for producing their quarterly Call Report ("Reports of Condition and Income"); 6,626 recordkeeping hours are expected to be saved by those FDIC-supervised banks which perform securities transactions for their customers, after FDIC raises the "low-activity" recordkeeping exemption in a rule that governs recordkeeping on securities transactions; 4,700 recordkeeping hours should be eliminated when FDIC's new fair housing rule, which will raise the threshold for metropolitan banks to $50 million in total assets, becomes effective; and 2,000 reporting hours will be eliminated by December 31, 1985, when FDIC completes its one-time survey of Call Report preparers to assess the quality and the usefulness of seminars and other instructional services provided to banks by the FDIC. These reductions comport with the President's policy of imposing only the minimum burden necessary to administer agency programs.

Burden increases of 11,449 hours are planned by the FDIC for three of its existing information collections. The reporting burdens of the "Country Exposure Report" and the "Annual Report of Trust Assets" are expected to increase by 544 hours and 409 hours, respectively, due to clarification and supervisory needs. A relatively large burden increase of 10,490 hours becomes effective when the revised Call Report submitted by savings banks is implemented during the first calendar quarter of 1986. The revised Call Report is necessary for the effective monitoring of the financial condition and performance of savings banks during a period of economic stress.

Specific Program Areas the Agency Will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

FDIC will review and propose revisions of its regulations dealing with securities transactions performed by FDIC-supervised banks for their customers. One revision would reset the "low-activity" exemption from most of the regulation's recordkeeping requirements. Also, the "low-activity" exemption may be newly-applied to previously nonexempt parts of the regulation. Currently the "low-activity" exemption applies to banks having fewer than 200 securities transactions per calendar year for customers. A reduction of 6,626 hours annually in recordkeeping burden is estimated as a result of the proposed revision.

FY 1985 Adjusted Base	797,182 Horus
Reductions from Base	-50,000 Hours
New Collections	+15,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

During FY 1986, the Agency will implement a supplement to the "National Flood Insurance Policy Application" to reduce the paperwork burden hours for applicants by allowing more than one property to be listed in a single policy.

Requirements will be eliminated in the Temporary Housing Assistance program because of the newly consolidated "Disaster Assistance Registration Form" and of changes in program delivery. In the Public Assistance programs, States will realize an estimated 80 percent reduction in requesting reimbursement of funds through the use of "Letters of Credit" which eliminate the requirement for subsequent State submissions for additional annual assistance funds.

As a result of the development of an automated "Hazard Identification, Capability Assessment, and Multi-Year Development Plan" (HICA/MYDP) to obtain baseline information on the status of emergency management at the State and local levels, a substantial reduction in paperwork burden at the local level will occur in FY 1986. HICA/MYDP was developed as part of the Integrated Emergency Management System (IEMS)--the Federal Emergency Management Agency's (FEMA) approach for broadening the application of emergency management resources to all hazards, taking advantage of the similarities that exist in planning and response functions for both peacetime and attack emergencies--previously duplicative information collections.

Reductions in information collection activities proposed in the FY 1986 ICB are consistent with the President's policy to eliminate all unnecessary information collections.

New collections will be one-time surveys to identify public knowledge and perception of civil defense and emergency management.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

FEMA will automate the public assistance program and explore certain improvements to enhance delivery of Federal Disaster Assistance to State and local governments with the intent of reducing reporting burden.

A study group has been established to report findings and recommendations on reductions within the Comprehensive Cooperative Agreement (CCA). The CCA is the single vehicle for allocating Emergency Management Assistance (EMA) funds to the States.

Reporting requirements associated with the nuclear power alerting and notification system will be reviewed to reduce the frequency of follow-up surveys or eliminate outyear surveys entirely.

FEDERAL ENERGY REGULATORY COMMISSION

FY 1985 Adjusted Base	4,313,000 Hours
Reductions from Base	-76,000 Hours
New Collections	+10,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

An example of the Commission's overall efforts in the area of regulatory reform may be found in the regulation of natural gas pipelines after partial wellhead decontrol in which the Commission is proposing to: open up natural gas transmission to more competition, establish a rebuttable presumption of prudence for certain limited and circumscribed payments, set up optional, expedited certificate procedures, and preserve for existing consumers the benefits of "old gas" that is price-controlled. This program may affect reporting requirements in the areas of certificates and rates for both natural gas producers and owners of pipelines.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Commission will continue to act on requests for exemptions from the "Cost of Retail Electric Service" filing requirements imposed pursuant to Section 133 of the Public Utility Regulatory Policies Act. The Commission expects to continue issuing exemptions on a case-by-case basis, where appropriate, and where the data are not used by the State Commissions for ratemaking purposes.

In FY 1986, the FERC will concentrate its efforts on the validation of the reporting requirements for gas pipeline and producer certificates and rates, hydroelectric applications, and electric rate filings.

FEDERAL HOME LOAN BANK BOARD

FY 1985 Adjusted Base	2,010,000 Hours
Reductions from Base	-40,000 Hours
New Collections	+3,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The Bank Board will continue to monitor its information collection requirements and, in particular, its financial data reporting system and general recordkeeping requirements, to reduce burden on the thrift industry. In FY 1985, this monitoring resulted in a revision of the monthly report, which reduced the burden by 178,000 hours. In FY 1986, the Bank Board will eliminate its "Consumer Complaint Collection" for a further reduction of 40,000 hours.

Some increase in burden hours will result from new regulations necessary to allow the Board to ensure the safety and soundness of the insured institutions and protect the viability of the Federal Savings and Loan Insurance Corporation (FSLIC) insurance fund.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Bank Board continues to review carefully its information collection requirements to ensure that these requirements impose the least possible burden, consistent with its regulatory responsibilities.

A task force of the Bank Board, now in existence for several years, reviews its financial data reporting system and makes recommendations to the Board to improve the usefulness of the data and identify potential burden savings. In FY 1986, emphasis will continue to be placed on the expansion of computer-assisted off-site examination techniques to reduce examination costs substantially; the financial data reporting system will be a major informational tool for the examiner's use.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

FY 1985 Adjusted Base	8,071,174 Hours
Reductions from Base	-231,000 Hours
New Collections	+20,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

For FY 1986, the Federal Reserve plans to achieve a further reduction of about 158,000 hours in the deposit reports that provide information for administration of reserve requirements and construction of the monetary aggregates. With the completion of deposit deregulation, separate information on certain deposit instruments will become less necessary. It is also proposed to reduce the recordkeeping and disclosure requirements under Truth-in-Lending programs by more than 75,000 hours and under Flood Hazard Protection programs by 20,000 hours to the extent permitted by statutory change and by the needs of other affected agencies.

The Board proposes to revise, in light of recent banking and financial developments, its bank holding company information programs to improve the information base needed for effective supervision and to reduce reporting burden to the extent possible. The net effect of these revisions will be a net increase of 22,000 hours; this will include increases and decreases in existing reports and the introduction of a country exposure report for U.S. branches and agencies of foreign banks (similar to information already required of U.S. banks) to monitor more effectively the possible impacts on U.S. financial markets lending abroad. This latter report will increase burden by about 14,000 hours.

Smaller changes--both increases and decreases--in a number of existing reports, principally in the "Reports of Condition and Income," needed for supervising and monitoring of U.S. banks and branches and agencies of foreign banks, will result in a net addition of about 6,000 hours.

A number of new small reports, serving a variety of purposes, are planned for implementation in FY 1986, with a total additional burden of less than 1,000 hours.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

It is the Board's standard procedure to subject every information collection to an intensive review of need and burden before the report expires. Approximately one-third of the Board's 105 report dockets will be so reviewed in FY 1986. In addition, the implementation of the reductions anticipated in the deposit reports, the Truth-in-Lending requirements, and the Flood Hazard information programs will depend upon reviews in these areas to be conducted in FY 1986.

FY 1985 Adjusted Base	67,934,000 Hours
Reductions from Base	-2,595,000 Hours
New Collections	+11,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

In FY 1986, the Commission will consider proposed amendments to the Hart-Scott-Rodino premerger notification program designed to reduce the burden of filing premerger notification by: (1) narrowing the types of transactions that must be reported, (2) reducing the documents or information that must accompany notifications, and (3) clarifying the meaning of the notification rules. Amendments will also be considered to cover a form of transaction which has become increasingly prevalent and to eliminate an exemption to the notification requirements.

The Commission will also consider a proposed amendment to the Magnuson-Moss Warranty Act rule requiring presale availability of consumer product warranties. The proposed amendment would substantially reduce the burden of this public disclosure requirement by allowing sellers greater flexibility in accomplishing the statutory goal. Amendments to a labeling rule mandated by the Energy Policy and Conservation Act, which would reduce the public disclosure burden of appliance energy labeling, will also be considered in 1986.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Commission will continue to proceed carefully and methodically to review and consider proposed trade regulation rules for final disposition. In addition, reviews of existing rules on retail food store advertising and marketing practices, games of chance promotion, and informal dispute settlement procedures will focus on burden reduction possibilities.

GENERAL SERVICES ADMINISTRATION

FY 1985 Adjusted Base	644,000 Hours
Reductions from Base	-14,000 Hours
New Collections	+1,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The General Services Administration (GSA) has met or exceeded its paperwork goals since 1980. Report reductions proposed by GSA for FY 1986 will be made by the Public Buildings Service and the Office of Federal Supply and Services. They involve reports related to employment suitability, parking rates and surplus personal property.

The Office of Civil Rights, Organization, and Training will collect information from State agencies to see that they comply with the law requiring recipients for Federal financial assistance to distribute Federal surplus property in a way that is free of discrimination. The estimated burden for this new collection is 880 hours.

The Administrator will continue to support the paperwork program and make sure that GSA eliminates unnecessary reporting.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

GSA will analyze its transportation and property disposal information collections during FY 1986 to see if any reports or parts of reports can be revised or eliminated to reduce the total burden hours imposed on the public.

INTERSTATE COMMERCE COMMISSION

FY 1985 Adjusted Base	987,920 Hours
Reductions from Base	-537,000 Hours
New Collections	+42,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

For FY 1986, the Interstate Commerce Commission (ICC) is proposing to eliminate the Uniform System of Accounts for Class I common and contract motor carriers of property and to revise the periodic reporting requirements. The Motor Carrier Act of 1980 and the Bus Regulatory Reform Act of 1982 reduced the Commission's regulatory role and many of its data requirements. When adopted, the elimination of the Uniform System of Accounts and the revision of periodic report forms will reduce the burden imposed by the Commission by 506,653 hours. This proposal comports with the President's policy to eliminate all unnecessary information collections.

The new information collections planned at this time are the revised periodic report forms for the above mentioned carriers. The Commission believes that the proposed report forms will be the least burdensome necessary to comply with the Commission's legal requirements and to achieve program objectives.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

When the above proposals are adopted, the Commission will have reduced its overall reporting burden by over 80 percent from its FY 1980 base of 2.1 million hours. ICC will continue to review its remaining programs to ascertain if further reductions are possible.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

FY 1985 Adjusted Base	17,763,000 Hours
Reductions from Base	-3,080,000 Hours
New Collections	+63,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The National Aeronautics and Space Administration's (NASA) strategy for controlling paperwork burden in FY 1986 will be to pursue every avenue for reducing the paperwork burden associated with the procurement process. To the maximum extent possible, NASA will attempt to meet its mission responsibilities by utilizing private sector resources. NASA will continue to emphasize the use of consolidated contracts to reduce the solicitation and contract reporting burden on the private sector. In addition, those reporting requirements associated with contracts awarded under the NASA Procurement Regulation and the NASA Federal Acquisition Regulation (FAR) will be reduced.

It is anticipated that this strategy will result in a reduction of the estimated reporting burden of approximately 3 million hours, or 17 percent of the estimated base.

Two of the three new information collections NASA will impose are to ensure proper civil rights compliance for institutions of higher education, non-profit organizations or small businesses providing scientific research for NASA that receive Federal financial assistance. The third new information collection will involve a process to determine eligible candidates for NASA's Goddard Space Flight Center Volunteer Program.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

NASA has estimated the reduction in its paperwork burden in FY 1986 to be approximately 3 million hours. This reduction will be attained by making awards under consolidated contracts within the agency, increasing the threshold for small purchase actions, and reducing reporting requirements contained in the NASA Procurement Regulation and the NASA FAR Supplement. All of these steps are believed to be in accord with the President's objectives to simplify reporting requirements imposed on the public.

FY 1985 Adjusted Base	2,475,194 Hours
Reductions from Base	-100,000 Hours
New Collections	+1,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

In FY 1986, the National Credit Union Administration (NCUA) will review the regulation which established the Community Development Credit Union Program to see what actions may be taken to reduce or eliminate unnecessary or overly burdensome reporting and recordkeeping requirements, including the consideration of eliminating the program as a whole.

NCUA, in FY 1985, completed revisions of the regulation on Supervisory Committee Audits and Verifications. Within the limits imposed by concern for safe and sound operation of Federal credit unions, the mandatory audit and verification requirements were eliminated, reducing the burden on Federal credit unions by 129,000 hours. In FY 1986, the NCUA will again review the Supervisory Committee regulation for further simplification and paperwork burden reduction.

The only new information collection with a substantial burden increase will be in the Credit Union Service Organization (CUSO) regulation. The regulation will require that Federal credit unions participating in CUSO execute an agreement to permit NCUA to examine the books and records of the CUSO.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

NCUA's regulatory agenda will include a review of its Semiannual Financial and Statistical Reports (NCUA 5300 Call Reports). The review will focus on the simplification of the Call Reports and elimination of some of the reported data. In some instances, it is expected that categories of data will be reported as a total and categorized or grouped in a way most familiar to Federal credit unions. It is expected that a significant burden reduction will be achieved.

FY 1985 Adjusted Base	4,591,277 Hours
Reductions from Base	-141,000 Hours
New Collections	+3,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The National Science Foundation's (NSF) information collection activities are all consistent with the President's FY 1986 budget and legislative program. NSF expects a 6 percent increase in the number of proposals received, and thus the associated paperwork burden will increase 6 percent.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The primary business of the Foundation is the receipt and evaluation of a high volume of proposals and applications for project support and the processing, award, and management of the grants and contracts. The Foundation has recently initiated a review of this process with a view toward streamlining and expediting the receipt, evaluation, and award of proposals. The Foundation is also continuing its experiment with the submission, review, management, and disposition of proposals via electronic media. These efforts should serve to reduce the burden on the public and NSF during FY 1986.

To facilitate the proposal renewal process, NSF makes available an alternative to the submission of expansive proposals each time a research project is due for renewal. The alternative approach is focused on the large category of research projects with the potential for extended NSF support and is primarily aimed at seasoned researchers. Under this policy, the Foundation allows the researcher to submit copies of published material relating to the research (e.g., reprints and preprints), plus a one to four page summary of the project. The creative writing effort and typing time will thereby be reduced.

Periodically, transfers of Principal Investigators (PI) from one institution to another occur. This may require the transfer of the research project on which a PI is working. In the past, this required correspondence and negotiations back and forth to set the stage. Now, NSF has established

a mechanism to facilitate the process, reduce NSF processing time and eliminate paperwork. A set of guidelines are now in place to delineate the arrangements, and to execute the necessary tripartite agreements for the ratification of such transfers. This will save an estimated 3 to 4 months of processing time previously required to deal with the respective institutions and consumate the change.

FY 1985 Adjusted Base	7,035,000 Hours
Reductions from Base	-115,000 Hours
New Collections	+79,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The Nuclear Regulatory Commission (NRC) anticipates programmatic decreases of 115,000 hours from the FY 1985 adjusted base and an increase of 79,000 hours for new collections during FY 1986. The overall reduction is, therefore, 36,000 hours. Decreases will occur in current clearances such as NUREG-0737, "Classification of the TMI Action Plan Requirements," and in 10 CFR 21, "Reporting of Defects and Noncompliance." Management's continued focus of its paperwork strategy on regulatory requirements not only has resulted in greater attention being given to the true need for information collections slated for rulemakings, but also has increased staff awareness of the imposition of information collections in general. This positive change in attitude is demonstrated by a comparison of the number of hours staff requested for new collections before and after the implementation of the policy issued by the Executive Director for Operations (EDO) in 1984. This policy mandates that no resources be expended on rulemakings promulgated by Offices reporting to him unless he has specifically approved the rulemaking.

NRC's FY 1984 ICB request for new information collections was 1,102,107 hours; FY 1985, 704,679 hours; and FY 1986, 79,000 hours. The FY 1986 burden estimate for new information collections represents a 93 percent and an 89 percent reduction in the burden hours requested for FY 1984 and FY 1985, respectively. The 79,000 hours the agency anticipates imposing for new information collections during FY 1986 relate to information collection requests primarily in those areas of concern addressed in the Commission's "Policy and Planning Guidance" (NUREG-0885, Rev. 4) and EDO's "Program Guidance," FY 1985-1987.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

NRC will continue its policy initiatives to eliminate regulatory requirements that are of marginal importance to safety. Staff has interviewed 17 organizations, including

12 utilities and the Atomic Industrial Forum (AIF), to obtain their views on these requirements. AIF sent questionnaires to its members to obtain additional views from industry and is forwarding, voluntarily, the responses to NRC for consideration. This initiative is being expanded to include the requirement that the Office of Nuclear Regulatory Research select existing rules for reexamination with a view toward eliminating those that have marginal importance to safety or have become obsolete by implementation of other approved practices. The Office of Nuclear Reactor Regulation also will reexamine the technical specifications and existing operating reactor licensing actions to determine which can be eliminated without compromising safety. As cited in the Unified Agenda of Federal Regulations, NRC plans to publish a comprehensive rulemaking to provide specific retention periods and uniform standards for the condition of records required by 10 CFR Part 50. NRC staff will initiate rulemakings to eliminate any regulatory information collections determined to be of marginal importance to safety.

OFFICE OF PERSONNEL MANAGEMENT

FY 1985 Adjusted Base	6,246,356 Hours
Reductions from Base	-205,000 Hours
New Collections	+2,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

One of the Office of Personnel Management's (OPM) most important functions is to assist Federal agencies in recruiting high quality staff in a manner that is consistent with merit principles. Through the analysis of a group of government-wide examinations, OPM has determined that it is possible to reduce the information collected from applicants for certain positions and still obtain the information needed to supply candidates to agencies in a cost-effective manner. As a result, through a shortened application form, OPM will reduce the information collected on employment applications by 200,000 hours in FY 1986.

OPM has decreased its information collection budget by more than 4 million burden hours because of administrative adjustments. This is primarily due to the planned issuance of new Federal Employee Health Benefits (FEHB) regulations. Up to now, OPM has procured health benefit services for Federal employees under its own regulations. For virtually all future procurement actions, however, OPM will rely on the General Service Administration's new Federal Acquisition Regulation (FAR). The new FEHB regulations will authorize only those required information collections for which the FAR does not provide.

The majority of new collections will result from implementation of Public Law 98-615, the Civil Service Retirement Spouse Equity Act of 1984. OPM will collect information from persons who wish to provide an annuity for a former spouse. All of the above activities are consistent with the President's efforts to streamline operations and reduce the costs of providing essential government services.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

OPM will continue to review the FEHB program and the automated examining system to see if further burden reductions can be achieved. An initiative to automate the personnel investigations program will also be pursued. This

initiative has the potential to increase the public reporting burden in future years because optical scanners as a data entry device will be used. While OPM anticipates that this will result in a significant reduction in costs and processing time, it may require the collection of additional information. If an increase in information collections is necessary, OPM will ensure that this takes place only after a balanced analysis of the costs, information burden, and other factors which may be involved. OPM will attempt to offset this increase through other savings.

RAILROAD RETIREMENT BOARD

FY 1985 Adjusted Base	1,224,000 Hours
Reductions from Base	-23,000 Hours
New Collections	+3,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

No significant reductions or increases in the paperwork burden imposed by the Railroad Retirement Board on the public are anticipated in FY 1986.

A burden reduction in the "Part B Medicare Claims" form is anticipated because of electronic transmission of claims and an increase in the use of the "Uniform Claim Form" for claiming payment for medically related services furnished under Medicare (Part B), Medicaid, and other medical insurance programs.

Four new initiatives are planned for FY 1986: A one-time collection to obtain information to ensure the accuracy of benefits paid to railroad retirement annuitants, an ongoing collection to enable the Board to identify individuals improperly claiming unemployment or sickness benefits, and two collections required by changes in law affecting the benefit programs.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Board will continue in FY 1986 to devote concerted effort to simplifying and updating its regulations governing retirement and survivor benefits payable under the Railroad Retirement Act. An integral part of this effort is an in-depth review of the reporting and recordkeeping requirements imposed on the public by these regulations. The purpose of the review is to ensure that any unnecessary or duplicate informations requests or recordkeeping requirements have been eliminated or avoided.

SECURITIES AND EXCHANGE COMMISSION

FY 1985 Adjusted Base	40,764,000 Hours
Reductions from Base	-1,949,000 Hours
New Collections	0 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

As a result of a comprehensive review of the proxy rules contained in Regulations 14A and 14C, the Securities and Exchange Commission (SEC) has proposed for public comment revisions in these regulations that would result in a 133,633 hour paperwork burden reduction. The Commission will complete its review of the proxy rules with a final project concentrating on the proxy contest portion of the regulations.

The Commission has drafted a proposal to simplify Form D. The proposed revisions are concurrently being considered by the North American Securities Administrators Association (NASAA). Ultimately, the revised Form D will provide uniformity in filing requirements for the Federal government and the various States and thereby simplify the filing procedures for small businesses. The end result will be a substantial estimated paperwork burden reduction of 37,177 hours for small businesses now utilizing Form D.

SEC is revising its current disclosure requirements in Regulation S-K to make them more responsive to the unique circumstances of limited partnership securities and other investment contracts that pass on tax consequences to investors. Currently the majority of disclosure requirements are written for a registrant with a corporate structure. This rulemaking should result in a clearer set of disclosure requirements for these direct investment securities and will simplify the process of disclosure in filings. The Commission is not able at this time to predict the change in total burden that will be associated with this project.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The Commission has drafted a release that proposes for comment rule amendments which would expand the class of small issuers that may be relieved from the registration requirements of Section 12(g) and the periodic reporting requirements of Section 15(d) and 13 under the Securities

Exchange Act of 1934. These proposals represent a continuing effort by the Commission to improve the criteria for entry into or exit from the Exchange Act reporting system and reduce or eliminate the costs to small issuers of complying with the registration and reporting provisions under the Act. Recent agency statistics indicate that approximately 700 issuers would be afforded the opportunity to terminate their registration and reporting requirements under the proposed rules, which would increase the total assets criterion to $5 million from the present level of $3 million. The changes in the proposed rule would reduce the reporting burdens on respondents by approximately 1.5 million hours and save the government and public approximately $73 million annually.

The SEC is considering rule proposals to reduce the public recordkeeping burden on investment companies. Specifically, the proposals would allow various companies to computerize many of the detailed records of transactions for an estimated 150,000 burden hour reduction.

FY 1985 Adjusted Base	2,776,639 Hours
Reductions from Base	-122,000 Hours
New Collections	55,000 Hours

Specitic Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

The Office of Management and Assistance will reduce its paperwork burden for the "Request for Counseling" (47,833 hours) and the "Management Assistance Control Record" (55,000 hours), and will eliminate the "SBDC Counseling Evaluation Form" (12,500 hours).

The Office of Procurement Assistance anticipates its burden imposed on the public will increase 12,500 hours because of the expansion of the government-wide Procurement Automated Source System (PASS).

The Small Business Administration (SBA) plans new surveys for management assistance and women's business ownership that will total more than 38,000 hours of burden.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

SBA is carrying out a strong effort to review existing operations for improved efficiencies for the public. The reductions described in the FY 1986 ICB reflect this effort. Government paperwork tends to affect smaller businesses disproportionally due to the percentage of resources necessary to carry out the requirements. SBA, therefore, has a strong incentive to carry out the President's goal of reducing paperwork imposed on the public. By streamlining existing necessary collections, as well as carefully reviewing proposed new collections, SBA intends to help meet this goal.

- The Investment Division will continue to try to find ways to reduce the burden hours in the Surety Bond Guarantee Program.

- The Office of Management Assistance intends to continue its efforts to bring its requirements to the minimum number of burden hours through careful review of existing and planned requirements.

- The Office of Minority Small Business and Capitol Ownership Development expects to reduce paperwork burden by scaling back existing forms where practical.

FY 1985 Adjusted Base	6,514,591 Hours
Reductions from Base	-406,000 Hours
New Collections	+338,000 Hours

Specific Reductions and Increases in Paperwork Burden Anticipated for FY 1986 and their Relationship to the President's Programs

New legislative requirements and changes to existing legislation affect both the Veterans Administration's (VA) FY 1986 fiscal budget and the ICB allowance. The VA will fully support legislative requirements resulting from new statutes or changes in legislation which will reduce or eliminate the need for data collection. VA will continue to seek to remove or modify other legislative impediments in order to further reduce the burden placed on the public.

The VA expects to realize a considerable decrease as a result of the recent development of simplified "Eligibility Verification Reports." These forms will collect eligibility data, including verification of income, dependency and unemployability, previously collected on the "Annual Income Questionnaires." VA Form 21-4100, "Statement of Income and Net Worth," and VA Form 21-6897, "Statement of Income and Net Worth Disability," will be discontinued as a result of this implementation for an expected burden hour reduction of 247,500 hours. The Administration also anticipates that the introduction of VA Form 28-8940, "Veteran's Application for Increased Compensation Based on Unemployability," will create a potential decrease of 26,110 burden hours over use of VA Form 21-527, "Income-Net Worth and Employment Statement" in FY 1986. Consolidation efforts in the area of procurement will continue, resulting in a reduction of 85,912 burden hours. An additional burden hour reduction of 61,562 hours will be realized because of the expiration of the program initiated as a result of passage of the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77).

The public reporting burden will increase in the areas of health care services and studies, and from the introduction of a new procedure for lenders initiated as a result of the Deficit Reduction Act of 1984 (Public Law 98-369). The largest increase in burden hours will be from the Asset Information and Screening Program. Through this program, the VA hopes to be able to determine whether certain nonservice-connected veterans are able to defray the costs of medical care through personal and other resources. This will impose

a burden of approximately 250,000 hours. Surveys in the areas of health care will include quality assurance, effects of ionizing radiation, an assessment of the psycho-social adjustments of Vietnam veterans through a review of obtained psychiartic epidemiologic data, and an evaluation of adult day health care. These surveys will impose a total of 13,736 burden hours on the public. The development of applications for employment in VA health care facilities for physicians, dentists, residents, interns, and nurses will add 26,200 burden hours. The development of a new form for use by lending institutions when they transmit funding fees to a lock-box depository for VA guaranteed home loans will increase the public burden by 30,000 hours. The VA's mission to provide timely, high quality health care, benefits and service to veterans and their families as efficiently as possible will be furthered by these program plans, and are thus directly related to the President's programs.

Specific Program Areas the Agency will Review to Reduce Unnecessary Recordkeeping and Reporting Requirements

The VA will review its information collection documents that request eligibility data including verification of income, dependency, and unemployability. Recently developed "Eligibility Verification Reports" will replace the previous "Annual Income Questionnaires," and, by the end of FY 1986, will also replace two existing information collections, "Statement of Income and Net Worth" and "Statement of Income and Net Worth - Disability." The VA will also study the possibility of designing a consolidated application form that would be used for two new education programs, the New GI Bill and the Selected Reserve Educational Assistance Program. Through detailed review and planning, additional data on three existing applications forms used to determine entitlement to benefits under chapters 32 and 34 of 39 USC and Section 903 of Public Law 96-342 may also be incorporated into this consolidated application. A reduction in the paperwork burden on the public and a cost savings for the government would be expected from this effort.

Copies of this publication (#PB 86-137254) may be obtained from:

National Technical Information Service
Attn: Document Sales
5285 Port Royal Road
Springfield, VA 22161
703-487-4650

U.S. GOVERNMENT PRINTING OFFICE : 1986 O - 497-511 : QL 3